Constitution. Legislation is born and brought up in committees of the House and Senate. So the greater part of Congressmen's workday is spent on our committee work. Congressmen ask for assignments to committees which handle legislation of greatest interest to the districts from which we are elected—in my case, Agriculture Committee because my district is principally rural.

As far as I can see there is no ideal Representative as such. There are Congressmen who are ideally suited to their districts, who ideally represent those districts, fully understanding their needs. But one who would be an ideal Representative from one district such as the industrial city of Brooklyn, N. Y., for example, would not suit a district in the desert, reclamation-type area of our mountain West. This is the beauty of our Constitution. It makes room for all these different regional interests. Representatives come from 435 different areas to work together for the good of their own people and the good of the country. I would say it is the system itself which is ideal.

2. What responsibility do you feel that you have as a Representative to influence national life and thinking?

Congressmen are in a unique position to influence national life and thought, not only by our legislative actions, but also by our statements and the principles upon which we base our actions. For example, in all justice to the family farmers, a large segment of our population, the people who provide our food and fiber, as well as in the best interests of our country and our economy, I, personally, have opposed by every possible means the administration's farm policies and its interpretation of our farm law. I have done this by means of articles in national publications, by speeches to national conferences, by floor statements and other CONGRESSIONAL RECORD insertions which have national reading. I feel it is my duty to do this—to get the widest possible attention to our farmers' problems—because of my basic premise, which is that the family farm is the foundation stone of our American way of life. I feel I must protect this American way of life to the fullest extent of my ability. I feel this is my duty and obligation to my country which transcends all others. To me, protection of local interests and the preservation of a sound farm economy are in the best national interest and will preserve a strong national economy. National interests and local interests are not in conflict where farm problems are concerned.

3. To what extent do you feel yourself obligated to reflect the opinions of your constituency, perhaps even when the opinions conflict with your own principles and convictions?

Congressmen are elected on the basis of their party and personal principles. These principles govern our judgment and our actions. It would be impossible to let the various shadings of constituent opinion guide our actions. We would be stuck on dead center of every issue. It would be unrealistic to base actions on a numerical average of opinion-letters on various measures. These do not necessarily reflect cross-section opinion as there are many people who never write letters to their Representatives.

There are always times when compromise is necessary—but never compromise with principle. We were elected by the people of our districts. They had to have confidence in us, else we would not have been elected, nor would we continue in office. They have given us the responsibility for making their laws and representing them to our best ability. Exchange of opinion between Congressman and constituent is fundamental to our democratic way of life, but the final decisions have to be ours.

4. Do you cherish any religious and/or moral principles which you deem it your responsibility to put into action in your public activities? What are they? (Be as specific as you care to be.) And, assuming that other Representatives hold similar principles, what opportunity does the average Representative have to exercise them?

Belief in the dignity of the individual, the brotherhood of man, the golden rule, faith in a Supreme Being, and all other such noble principles, should govern everyone's actions in every relationship with fellow human beings. I see no difference between requirements for Representatives and for all other people in this regard. These principles of humanity, morality, decency, charity, should be exercised at all times. I cannot conceive of any Congressman's admitting to any other bases of action.

As to specific beliefs in specific religious forms, Protestant, Catholic, Jewish, or any other, I feel these are intimately personal choices. Any other Representative's personal religion is no affair of mine. I am a Lutheran and gain great strength from being a Lutheran. This is best for me. Someone else might gain similar strength from another source. If you mean, "Does religious preference influence legislative decisions?" I can only speak for myself, and I can assure you, it surely does not influence mine.

5. Do you feel that a woman brings any special grace to her role in Congress?

I am not a feminist or anything else of that sort, but I do feel that women, by their very nature and function in life, have a special grace and bring this to any job they have to do. However, like most of my women colleagues, I do not use my womanhood as a weapon or tool. I don't feel that I am fighting to be considered an equal, either. What I want most is to be respected and thought of as a person rather than as a woman in this particular job. I would like to feel that I am respected for my ability, my honesty, my judgment, my imagination, and my vision.

Equality as between men and women in any field is a relative thing. Actually, women have to be better than good to make the grade in any so-called man's field. Women should not use their femininity as a weapon; they should think straight and solidly, and make their impressions by performance, creativeness and productivity, rather than as women. I suppose you might say we have arrived when we are thought of first as people and second as women, rather than the other way. When we get a bill passed, we like to think it is purely because the bill makes good legislative sense.

6. What is your concept of the potential role of an educated, Christian woman in governmental service?

I made a speech last year on the subject of the great value and the great potential of women in politics, in which this question is fully covered. There is room and need for every woman who has the time, the ability and the desire to put her principles into action through public service. There should be an increase in the number of women in Congress, as in other public service, but not necessarily until it matches the number of men. This is a job; and there are fewer women in a position to take a job outside of the home. More and more women will come to the feeling that perhaps they have a responsibility along these lines and that they may be able to perform a real service to their country by going into public life. The opportunity for this sort of contribution is limitless. Women need only to find the vision, the self-confidence and the faith to plunge into it.

SENATE

THURSDAY, MAY 15, 1958

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Our Father, author of liberty, may there be forever cherished in this shrine of freedom, and found in those who are here called to serve the Republic, the spiritual values which alone can bring order out of chaos and peace out of strife. Against the tempting expediency of all that shuns the light, and against all betrayal of justice and righteousness, may the shield of our own unyielding integrity be lifted in a time when the world's hopes depend on character. And when the ruling passion of our national life, to share, to build, and to lift, is misunderstood and maligned and made to appear evil by those who imagine a vain thing, still keep our hearts free from malice, our good will extended to all men who cherish brotherhood, and our shining goal for a fairer world beckoning ahead, undimmed. We ask it in the dear Redeemer's name. Amen.

THE JOURNAL

On request of Mr. O'MAHONEY, and by unanimous consent, the reading of the Journal of the proceedings of Wednesday, May 14, 1958, was dispensed with.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, one of its reading clerks, announced that the House had passed a bill (H. R. 12181) to amend further the Mutual Security Act of 1954, as amended, and for other purposes, in which it requested the concurrence of the Senate.

HOUSE BILL REFERRED

The bill (H. R. 12181) to amend further the Mutual Security Act of 1954, as amended, and for other purposes, was read twice by its title and referred to the Committee on Foreign Relations.

EXECUTIVE SESSION

Mr. O'MAHONEY. Mr. President, as acting majority leader, I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

The PRESIDENT pro tempore. If there be no reports of committees, the nominations on the Executive Calendar will be stated.

UNITED STATES DISTRICT JUDGE

The Chief Clerk read the nomination of Albert C. Wollenberg, of California, to be United States district judge for the northern district of California.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

FEDERAL COMMUNICATIONS COMMISSION

The Chief Clerk read the nomination of Robert T. Bartley, of Texas, to be a member of the Federal Communications Commission for a term of 7 years from July 1, 1958.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of John S. Cross, of Arkansas, to be a member of the Federal Communications Commission for the unexpired term of 7 years from July 1, 1955.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

FARM CREDIT ADMINISTRATION

The Chief Clerk read the nomination of Marvin J. Briggs, of Indiana, to be a member of the Federal Farm Credit Board, Farm Credit Administration, for a term expiring March 31, 1964.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

The Chief Clerk read the nomination of Frank Stubbs, of Texas, to be a member of the Federal Farm Credit Board, Farm Credit Administration, for a term expiring March 31, 1964.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

FEDERAL MARITIME BOARD

The Chief Clerk read the nomination of Thomas Edward Stakem, Jr., of Virginia, to be a member of the Federal Maritime Board for a term of 4 years expiring June 30, 1962.

The PRESIDENT pro tempore. Without objection, the nomination is confirmed.

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that the President be immediately notified of all nominations confirmed today.

The PRESIDENT pro tempore. Without objection, the President will be notified forthwith.

LEGISLATIVE SESSION

Mr. O'MAHONEY. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

LIMITATION OF DEBATE DURING MORNING HOUR

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that during the morning hour statements be limited to 3 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

EXECUTIVE COMMUNICATIONS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

REPORT ON THE NEWSPRINT INDUSTRY

A letter from the Attorney General, transmitting, pursuant to law, his report on the newsprint industry, dated May 9, 1958 with an accompanying report); to the Committee on Banking and Currency.

AMENDMENT OF CHAPTER 791 (24 U. S. C. 279a), RELATING TO PROCUREMENT OF HEADSTONES AND MARKERS

A letter from the Secretary of the Army, transmitting a draft of proposed legislation to amend the act of July 1, 1948, ch. 791 (24 U. S. C. 279a), providing for the procurement and supply of Government headstones and markers (with an accompanying paper); to the Committee on Interior and Insular Affairs.

AMENDMENT OF UNITED STATES CODE, RELATING TO TAXATION OF COSTS

A letter from the Attorney General, transmitting a draft of proposed legislation to amend section 2412 (b), title 28, United States Code, with respect to the taxation of costs (with an accompanying paper); to the Committee on the Judiciary.

RESOLUTIONS OF DISTRICT GRAND LODGE 3, B'NAI B'RITH CONVENTION, KIAMESHA LAKE, N. Y.

The PRESIDENT pro tempore laid before the Senate three resolutions adopted at the District Grand Lodge No. 3, B'nai B'rith Convention at Kiamesha Lake, N. Y., relating to certain amendments of the Immigration and Nationality Act, authority for Attorney General to initiate injunction proceedings in certain cases, and the confirmation of appointments to the Civil Rights Commission, which were referred to the Committee on the Judiciary.

RESOLUTIONS OF NORTH DAKOTA COOPERATIVE WOOL MARKETING ASSOCIATION

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the RECORD three resolutions adopted by the North Dakota Wool Growers Association, at their 38th annual meeting, held at Fargo, N. Dak., on April 8, 1958.

There being no objection, the resolutions were ordered to be printed in the RECORD, as follows:

RESOLUTIONS ADOPTED AT THE 38TH ANNUAL MEETING OF THE NORTH DAKOTA WOOL GROWERS ASSOCIATION, HELD AT FARGO, N. DAK., APRIL 8, 1958

Be it resolved, That the 38th annual meeting of the North Dakota Cooperative Wool Marketing Association, assembled at Fargo, N. Dak., April 8, 1958, extend to each member of the North Dakota Congressional delegation our deep and sincere appreciation for their efforts to secure an extension of the National Wool Act of 1954, which has proven very beneficial to the woolgrowers of North Dakota.

Be it resolved, That the carpet-wool bill, H. R. 2151, now pending before the Congress of the United States, which proposes duty-free entry of wools grading up to 46s, with a tolerance of 10 percent 48s be opposed, and we request our Congressional delegation to do everything possible to oppose passage of this bill.

Be it resolved, That the members of the North Dakota Congressional delegation be commended for their support of needed appropriations for the United States Fish and Wildlife Service Branch of Predator and Rodent Control to carry on the effective and necessary work in North Dakota and we request their support of appropriations at last year's level.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. ELLENDER, from the Committee on Agriculture and Forestry, with amendments:

H. R. 8490. An act to amend the Agricultural Adjustment Act of 1938, as amended, with respect to rice acreage allotments (Rept. No. 1585).

By Mr. SYMINGTON, from the Committee on Agriculture and Forestry, without amendment:

S. 3478. A bill to insure the maintenance of an adequate supply of anti-hog-cholera serum and hog-cholera virus (Rept. No. 1587).

LIMITATION OF APPELLATE JURISDICTION OF SUPREME COURT IN CERTAIN CASES—REPORT OF A COMMITTEE

Mr. BUTLER. Mr. President, from the Committee on the Judiciary, I report favorably, with amendments, the bill (S. 2646) to limit the appellate jurisdiction of the Supreme Court in certain cases, and I submit a report (No. 1586) thereon, together with minority and individual views. I ask unanimous consent that the report, together with the minority and individual views, be printed.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Maryland? The Chair hears none, and it is so ordered.

BILLS AND JOINT RESOLUTION INTRODUCED

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. McNAMARA:

S. 3814. A bill for the relief of Dorothy Margarethe Hadjisky; and

S. 3815. A bill for the relief of Gorjana Grdjic; to the Committee on the Judiciary.

By Mr. MURRAY:

S. 3816. A bill providing for payments as incentives for the production of certain minerals, and for other purposes; and

S. 3817. A bill to provide a program for the development of the minerals resources of the United States, its Territories and possessions, by encouraging exploration for minerals, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. HOLLAND:

S. 3818. A bill for the relief of Vincenta Garcia y Puente; to the Committee on the Judiciary.

By Mr. YARBOROUGH:

S. 3819. A bill to amend the Agricultural Adjustment Act of 1938, as amended, to permit the State committee to allocate from the acreage of extra long staple cotton reserved under section 344 (e) of the act an amount not to exceed 1½ percent of the State acreage allotment to farms for the production of high quality extra long staple cotton seed and for other purposes; to the Committee on Agriculture and Forestry.

(See the remarks of Mr. YARBOROUGH when he introduced the above bill, which appear under a separate heading.)

By Mr. MAGNUSON:

S. 3820. A bill to amend the Interstate Commerce Act, with respect to recovery of a reasonable attorney's fee in case of successful maintenance of an action for recovery of damages sustained in transportation of property; to the Committee on Interstate and Foreign Commerce.

By Mr. MAGNUSON (by request):

S. 3821. A bill to provide for loan and mortgage insurance in order to facilitate private financing of certain pier facilities; and

S. 3822. A bill to amend the Merchant Marine Act, 1936, as amended, to further promote the development and maintenance of the American merchant marine, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. PURTELL:

S. 3823. A bill to amend the act providing financial assistance for local educational agencies in areas affected by Federal activities, with respect to certain percentage requirements for payments under such act; to the Committee on Labor and Public Welfare.

(See the remarks of Mr. PURTELL when he introduced the above bill, which appear under a separate heading.)

By Mr. PAYNE:

S. 3824. A bill to clarify section 106 (f) of the Housing Act of 1949 with respect to the making of relocation payments for displacements caused by programs of voluntary repair and rehabilitation in connection with urban renewal projects; to the Committee on Banking and Currency.

(See the remarks of Mr. PAYNE when he introduced the above bill, which appear under a separate heading.)

By Mr. IVES:

S. 3825. A bill for the relief of James A. Drysdale; and

S. 3826. A bill for the relief of Concettina Iannacchino; to the Committee on the Judiciary.

By Mr. BIBLE (by request):

S. 3827. A bill to amend the District of Columbia Motor Vehicle Parking Facility Act of 1942, as amended; and

S. 3828. A bill to fix and adjust the compensation of the Commissioners of the District of Columbia; to the Committee on the District of Columbia.

By Mr. JOHNSTON of South Carolina:

S. 3829. A bill to extend certain franking privileges to the Secretary and the Sergeant at Arms of the Senate, and the Clerk and the Sergeant at Arms of the House of Representatives; to the Committee on Post Office and Civil Service.

By Mr. MALONE:

S. 3830. A bill authorizing the appropriation of a certain sum to be used in constructing additional school facilities for Indians at McDermott, Nev., and Owyhee, Nev.; to the Committee on Interior and Insular Affairs.

By Mr. EASTLAND (for himself and Mr. DIRKSEN):

S. 3831. A bill to amend section 508 of title 28, United States Code, relating to attorney salaries; to the Committee on the Judiciary.

By Mr. LANGER:

S. 3832. A bill to provide that the Sibley Island area, south of Bismarck, N. Dak., be conveyed to the Izaak Walton League of America for public park and recreational purposes; to the Committee on Armed Services.

(See the remarks of Mr. LANGER when he introduced the above bill, which appear under a separate heading.)

By Mr. THURMOND:

S. 3833. A bill to provide for a survey of the Coosawhatchie and Broad Rivers in South Carolina, upstream to the vicinity of Dawson Landing; to the Committee on Public Works.

By Mr. LANGER:

S. 3834. A bill for the relief of the owners of lands acquired or to be acquired by the United States in connection with the construction or operation of the Lone Tree Dam in Wells County, N. Dak.; to the Committee on Public Works.

(See the remarks of Mr. LANGER when he introduced the above bill, which appear under a separate heading.)

By MR. COOPER:

S. 3835. A bill to extend the availability of certain appropriations for emergency conservation measures to June 30, 1960; to the Committee on Appropriations.

(See the remarks of Mr. COOPER when he introduced the above bill, which appear under a separate heading.)

By Mr. BIBLE (by request):

S. J. Res. 174. Joint resolution providing that the Commissioners of the District of Columbia be authorized to use squares 354 and 355 in the District of Columbia and certain water frontage on the Washington Channel of the Potomac River for the proposed Southwest Freeway and for the redevelopment of the Southwest area in the District of Columbia; to the Committee on the District of Columbia.

NATIONAL LITTLE LEAGUE BASEBALL WEEK

Mr. MARTIN of Pennsylvania submitted the following concurrent resolution (S. Con. Res. 88), which was referred to the Committee on the Judiciary:

Resolved by the Senate (the House of Representatives concurring), That the President is requested to issue a proclamation designating the period beginning June 9, 1958, and ending June 14, 1958, both dates inclusive, as National Little League Baseball Week in recognition of the national and community benefits resulting from Little League activity, and inviting the people of the United States to observe such week in schools, parks, athletic fields, and other suitable places with appropriate ceremonies and activities.

PARTICIPATION BY ADMINISTRATOR OF VETERANS' AFFAIRS IN PRESIDENT'S CABINET MEETINGS

Mr. LANGER submitted the following resolution (S. Res. 306), which was referred to the Committee on Finance:

Resolved, That it is the sense of the Senate that the Administrator of Veterans' Affairs, should be invited to participate in the meetings of the President's Cabinet in order to help develop intelligently a sound veterans' program.

AMENDMENT OF AGRICULTURAL ADJUSTMENT ACT OF 1938, RELATING TO STATE RESERVE SECTION OF EXTRA-LONG STAPLE COTTON ACREAGE ALLOTMENT

Mr. YARBOROUGH. Mr. President, I introduce, for appropriate reference, a bill to modify the State reserve section of the extra-long staple cotton acreage allotment to assure an adequate supply of high quality planting seed.

Under the measure, supported by the Supima Association of America, up to 1.5 percent of the State allotment could be allocated for the production of extra-long staple seed.

The Agricultural Stabilization Committee would have authority to make this allocation under section 344 (e) of the ASC Act, which allows 10 percent of a State's extra-long staple allotment to be set aside for hardship cases and other special purposes.

This will allow State committees to establish proper isolation for growing registered and certified seed under the supervision of State land grant colleges.

The reallocation will not change the amount of any State's extra-long staple allotment, nor will it affect a State's allotment for upland cotton. No acreage could be taken away from any older cotton growing area. The seed growing area would come out of the existing long staple cotton acreage allotment.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3819) to amend the Agricultural Adjustment Act of 1938, as amended, to permit the State committee to allocate from the acreage of extra-long staple cotton reserved under section 344 (e) of the act an amount not to exceed 1½ percent of the State acreage allotment to farms for the production of high quality extra long staple cotton seed and for other purposes, introduced by Mr. YARBOROUGH, was received, read twice by its title, and referred to the Committee on Agriculture and Forestry.

FINANCIAL ASSISTANCE FOR LOCAL EDUCATIONAL AGENCIES IN CERTAIN AREAS

Mr. PURTELL. Mr. President, I introduce, for appropriate reference, a bill to amend Public Law 874 which provides financial assistance for local educational agencies in areas affected by Federal activities.

At present the law requires that a local agency, in order to qualify for funds, must show that the number of federally connected children who are in average daily attendance during the year amounts to 3 percent or more. In areas where the total average daily attendance exceeded 35,000 as of June 30, 1939, a 6-percent attendance of federally connected children is necessary.

However, the law makes no provision for local agencies which, although previously qualified, drop below the required percentages. This has worked undue hardships on many communities where, because of unemployment or substantial increases in the non-Federal population, local agencies have been unable to meet the prerequisite attendance requirement and, as a result, receive no funds at all.

The city of West Haven in my own State is a good example of the situation I describe. In June of 1957 West Haven qualified for Federal funds by virtue of having 231 federally connected children attending school. This entitled the community to $25,000 of Federal funds. However, because of layoffs at the Government-owned Avco Manufacturing Co. plant, this number declined. At the same time, the overall enrollment in West Haven increased by 4¼ percent. The end result is that West Haven, having dropped below the 3-percent pre-

requisite, no longer qualifies to receive funds.

My bill would allow communities which have previously qualified for Federal funds to continue to receive such funds based on the actual number of federally connected children for 1 year succeeding the year in which they fail to qualify. In this way, the community can effect a gradual transition rather than have a sizable portion of its budget withheld on very short notice.

Since these attendance changes are, for the most part, temporary, we will be aiding school districts in the continuity of their programing, which is essential to the effectiveness of any school system.

I hope, Mr. President, that this proposed legislation will receive the approval of all of my colleagues in the Senate.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3823) to amend the act providing financial assistance for local educational agencies in areas affected by Federal activities, with respect to certain percentage requirements for payments under such act, introduced by Mr. PURTELL, was received, read twice by its title, and referred to the Committee on Labor and Public Welfare.

CLARIFICATION OF SECTION 106 (F) OF HOUSING ACT OF 1949, RELATING TO CERTAIN RELOCATION PAYMENTS

Mr. PAYNE. Mr. President, I introduce, for appropriate reference, a bill to clarify section 106 (f) of the Housing Act of 1949 with respect to the making of relocation payments for displacements caused by programs of voluntary repair and rehabilitation in connection with urban renewal projects. I ask unanimous consent that the bill, together with a statement I have prepared, be printed in the Record.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the bill and statement will be printed in the RECORD.

The bill (S. 3824) to clarify section 106 (f) of the Housing Act of 1949 with respect to the making of relocation payments for displacements caused by programs of voluntary repair and rehabilitation in connection with urban renewal projects, introduced by Mr. PAYNE, was received, read twice by its title, referred to the Committee on Banking and Currency, and ordered to be printed in the RECORD, as follows:

Be it enacted, etc., That section 106 (f) of the Housing Act of 1949 is amended by striking out in paragraph (2) "resulting from their displacement by" and inserting in lieu thereof the following: "arising from their displacement as a result of undertakings and activities of the agency, or as a result of a program of voluntary repair and rehabilitation, in connection with."

The statement presented by Mr. PAYNE is as follows:

STATEMENT BY SENATOR PAYNE

Today I am introducing proposed legislation to clarify the provision of the Housing Act of 1949 concerning urban renewal relocation payments. The present wording of the urban renewal law is open to conflicting interpretation concerning eligibility requirements for relocation payments. Relocation of families and businesses is necessary in projects where structures are being rehabilitated as well as in those where the dwellings are being raised and land cleared. In renewal areas where buildings are being renovated, every effort should be made to persuade the property owner to do the job in accordance with the standards set by the local public agency. The economies of such voluntary rehabilitation are obvious. In many cases where such voluntary action is contemplated the dwellings must be vacated nonetheless in order to accomplish this task. However, the Housing and Home Finance Agency has chosen not to extend relocation payments to these families although they are inconvenienced to the same extent as other families receiving payments.

The law is not specific on this point, but Federal housing officials have decided to interpret it against families displaced by rehabilitation projects. The officials have developed regulations which exclude from relocation payments families forced to move as a result of voluntary rehabilitation activity within an urban renewal project. It is to aid these families that this legislation is introduced. The language of this bill will allow such families to receive the same compensation as their neighbors under the similar circumstances.

The omission in the present law and the resulting injustice in the housing regulations were first brought to my attention by local urban renewal officials in Portland, Maine, where one project is nearing completion and another will soon begin. This inequity should be corrected at once and it is my intention to push for early adoption of this legislation by the Banking and Currency Committee and by the Senate as part of this year's omnibus housing bill.

CONSTRUCTION OF ADDITIONAL SCHOOL FACILITIES FOR INDIANS AT McDERMOTT AND OWYHEE, NEV.

Mr. MALONE. Mr. President, I introduce for appropriate reference a bill to authorize the appropriation of funds for the construction of school facilities at McDermott and Owyhee Indian Reservations, in Nevada.

I ask unanimous consent that a statement I have prepared and two telegrams I have received concerning the bill be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement and telegrams will be printed in the RECORD.

The bill (S. 3830) authorizing the appropriation of a certain sum to be used in constructing additional school facilities for Indians at McDermott, Nev., and Owyhee, Nev., introduced by Mr. MALONE, was received, read twice by its title, and referred to the Committee on Interior and Insular Affairs.

The statement and telegrams presented by Mr. MALONE are as follows:

STATEMENT BY SENATOR MALONE

The need for this construction is imperative. The Owyhee School serves 275 students, and the Owyhee elementary and high school must furnish adequate quarters for school personnel. This is because the school is located on the Duck Valley Reservation, 97 miles from the nearest urban center where housing might be available. The Duck Valley Reservation is a closed reservation, wherein settlement is open only to eligible Indians, due to the trust-land status which prevents land acquisition by non-Indians with a resultant lack of rental or other housing units. Inasmuch as only 12 housing units are available for a school staff of 19 persons, it means that 7 of the staff members must be taken care of by other means.

An analysis of personnel turnover by the board of trustees indicates that the major contributing factor in the problem of teacher recruitment and retention is the lack of adequate housing facilities. The construction of housing units is therefore essential to insure the further development of the educational program at Owyhee, as it is directly related to the school district's ability to secure and retain qualified teaching personnel. Because of its size and type of construction the present gymnasium is entirely inadequate. It has fully depreciated in value by age and because of its interior arrangement with respect to seating capacity, lighting, ventilation, safety, health and sanitation conditions. This building does not lend itself to modification, due to construction of native stone, which prevents increasing size or alteration to enable additional use.

The need at Owyhee is for a multiuse building which would combine the features of a gymnasium and auditorium with additional space to be devoted to library and a counseling section. The proposed multiuse building would function as a gymnasium, in order that a comprehensive program of physical education might be developed at Owyhee, which would include both boys and girls of the upper elementary and high-school levels. The enrollment at Owyhee justifies the commencement of a sound program of intramural athletic activities, as well as interschool sports. The building would also include an auditorium which would provide an opportunity for the development of a program in the field of expression, which is vital to a predominantly Indian enrollment school. Under present conditions, this form of curriculum development is impossible. There is need for adequate space where the students can present concerts, plays, operettas and speaking contests, all of which are vital to a sound educational program for Indian children. Space must be available for the community to participate in these activities, inasmuch as it is sincerely believed that a large part of the difficulties in the educational program at Owyhee stem from the lack of parental participation in the school's activities.

An analysis of the educational program at Owyhee shows an urgent need for these new facilities, in order to insure a complete and satisfactory education program. Young Indian men and women of high school age are vitally in need of the best possible guidance and counseling service, and the successful educational program is dependent in large measure upon the development at Owyhee. It is also firmly believed that the encouragement of children and adults, through the development of a library, would tend to lessen the language handicap which is so prevalent among Indian children, and which is a deterrent to their academic achievement.

The McDermott Indian school in Humboldt County, Nev., faces similar problems, but in addition the Cordero mine school has been transferred to the McDermott school placing an additional enrollment that the McDermott school is not equipped to handle. The total enrollment this year is 182, which is approximately a 20-percent increase, and there are no facilities to meet the existing demands. I feel that these two Indian schools have more than adequately justified their need for this construction program.

SAN FRANCISCO, CALIF., *March 12, 1958.*
Senator GEORGE W. MALONE,
Senate Office Building,
Washington, D. C.:

The independent meatpackers need protection from unfair and monopolistic trade practices which have been carried on by national packers without fear of prosecution from the Department of Agriculture. Therefore, I earnestly request that you work and vote for the passage of S. 1356 by Senators O'MAHONEY and WATKINS. This will give the independent packers the same protection under the Federal Trade Commission as is now enjoyed by all other processors of agricultural products. For the past 30 years the Department of Agriculture has not enforced the Packers and Stockyards Act with respect to meat merchandising, neither has it asked for funds or personnel in that branch to enforce title 11 of the Packers and Stockyards Act. In view of this record and in view of the numerous violations of the act by national packers with whom we have to compete, I urge you to give us the protection which we are entitled to by voting for S. 1356.

Best regards,

H. MOFFAT CO.

RENO, NEV., *May 6, 1958.*
Hon. GEORGE W. MALONE,
United States Senator for Nevada,
Senate Office Building, Washington, D. C.:

We favor the compromise of Senate bill 1356, with the exception of the 3-year limitation.

W. H. MOFFAT.

CONVEYANCE OF SIBLEY ISLAND AREA, NORTH DAKOTA, TO IZAAK WALTON LEAGUE OF AMERICA

Mr. LANGER. Mr. President, I introduce, for appropriate reference, a bill to provide that the Sibley Island area, south of Bismarck, N. Dak., be conveyed to the Izaak Walton League of America for public park and recreational purposes. I ask unanimous consent that a statement, prepared by me, relating to the bill, be printed in the RECORD.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 3832) to provide that the Sibley Island area, south of Bismarck, N. Dak., be conveyed to the Izaak Walton League of America for public park and recreational purposes, introduced by Mr. LANGER, was received, read twice by its title, and referred to the Committee on Armed Services.

The statement presented by Mr. LANGER is as follows:

STATEMENT BY SENATOR LANGER

I am today introducing a bill to provide that Sibley Island area, south of Bismarck, N. Dak., be conveyed to the Izaak Walton League of America for public park and recreational purposes. The Honorable Alfred A. Thompson, attorney and civic leader in Bismarck, N. Dak., has been working with other civic leaders in the Bismarck-Mandan area in North Dakota toward the development of Sibley Island as a public use area. He has stated that these leaders have unanimously agreed that the proper method of handling the project would be through a nonprofit organization, organized solely for the purpose of administering the project. The Izaak Walton League is very much interested in the development of the area and would accept the responsibility of developing the park. The organizations who have become interested in making the Sibley Island a public park area are the Missouri Valley Council of the Boy Scouts of America, the Missouri Slope Chapter of the Izaak Walton League of America, the Bismarck Girl Scout Council, the Burleigh County Park Board, the North Dakota Game and Fish Department, the Bismarck Intercity Church Council, the Burleigh County 4-H Clubs, the Burleigh County Homemakers Clubs, the Bismarck Chamber of Commerce, and I am sure that there are other organizations who would join this distinguished group. This desire is also joined in by various business and civic leaders of the city of Mandan and city of Bismarck.

The reason for this great need is, for example, the Beaver Valley district Boy Scouts of America are without a reasonable and accessible place in which to camp. Also many people who come down to Bismarck and Mandan to do their shopping and view historic public sites find they have no place to pitch their tents or park their trailers. The city police say it is unlawful to camp in any of the city parks.

The public picnic problem has become very acute with the only available area for such purposes in such great demand that sometimes it requires a month's notice in advance before permission can be granted for groups to use the picnic grounds that are available. As I pointed out earlier, the Boy Scouts have difficulty in locating grounds for camping and it has become so difficult that in order for them to camp, there is one farmer in the neighborhood of Bismarck who has graciously permitted his hay lands for a campsite. But the burden on him is too great to share alone.

I hope the Congress will act favorably on this bill.

RELIEF OF CERTAIN OWNERS OF LANDS, WELLS COUNTY, N. DAK.

Mr. LANGER. Mr. President, I introduce, for appropriate reference, a bill for the relief of the owners of lands acquired or to be acquired by the United States in connection with the construction or operation of the Lone Tree Dam in Wells County, N. Dak. I ask unanimous consent to have printed in the RECORD, a statement, prepared by me, relating to the bill.

The PRESIDENT pro tempore. The bill will be received and appropriately referred; and, without objection, the statement will be printed in the RECORD.

The bill (S. 3834) for the relief of the owners of lands acquired or to be acquired by the United States in connection with the construction or operation of the Lone Tree Dam in Wells County, N. Dak., introduced by Mr. LANGER, was received, read twice by its title, and referred to the Committee on Public Works.

The statement presented by Mr. LANGER is as follows:

STATEMENT BY SENATOR LANGER

I am introducing a bill for the relief of the owners of land acquired or to be acquired by the United States in connection with the construction of the Lone Tree Dam in Wells County, N. Dak.

The members of the Lone Tree Dam Land Owners Association, which association is a voluntary organization of landowners whose land will be flooded as a result of the construction of the Lone Tree Dam, through their chairman, the Honorable Ervin E. Seibel of Harvey, N. Dak., have written me a detailed statement requesting legislation to safeguard their interests. It is gratifying to receive letters such as the one I received from Chairman Seibel which reflects the true American approach to any problem. I quote from it, as follows:

"We are not asking for special treatment at the expense of our Government. All we want is just treatment and a fair consideration of our side of the case. We feel our problems are important enough so that they should not be subject to the control and power of the pressure groups. Adequate time should be taken for fair and thorough consideration of our problem. A free government of the people should operate only in that manner and its actions should not be rushed by the influence of pressure groups."

This proposed legislation is intended to assure a group of landowners in Wells County, N. Dak., of receiving fair treatment from the Government of the United States for the taking of their farmlands which they have spent a lifetime in developing in order to facilitate the construction of the Lone Tree Dam approximately 8 miles southwest of the city of Harvey, Wells County, N. Dak.

To quote further from Mr. Seibel's letter, it states:

"At the outset I wish to say to you that the consensus of opinion among the landowners is that this project is being forced along far too rapidly and without proper regard for protection of the interests of the farm people who will lose their homes and land. * * * We wish to say that we landowners who have our life's savings invested in our farmland and farm homes and who are to be confronted with the possibility of losing all of it consider this matter with an entirely different point of view. The grand and glorious picture that these powerful forces paint for us of what the future will be with water from Lone Tree Dam is a bitter pill for us to swallow in exchange for our farms and homes. We feel that the feasibility of Lone Tree Dam is still questionable. Our land is not adapted to irrigation, and the cost to adapt it for such purpose will be prohibitive."

The bill I am introducing is designed to take into consideration, for the purchase of the farmlands, a fair market value which would include an amount which would be sufficient to purchase equivalent lands with improvements and for the reasonable expenses incurred by them in locating and purchasing such equivalent lands and in moving thereto. The bill will also provide that these people be permitted to occupy and use their lands without payment of rent from the date that the lands are acquired by the United States until such time as such lands are actually needed for construction and operation of the Lone Tree Dam and that any compensation they receive from their lands shall be exempt from Federal income taxes.

I know the Congress has to act at times on behalf of irrigation and other projects which are termed for an advancement in our way of life and to improve generally the living conditions of our people, but in doing so sometimes we forget the great sacrifice a few people must make for what is considered to be the betterment of others. If such sacrifice is made as my constituents have indicated in their letter to me, then it is only fair that the Government of the United States should be fair and just in every sense of the word by compensating these people for the great sacrifice they are making in giving up their farms and their homes for what Congress believes to be for the good of the many.

EXTENSION OF AVAILABILITY OF CERTAIN APPROPRIATIONS FOR EMERGENCY CONSERVATION MEASURES

Mr. COOPER. Mr. President, Public Law 85-58, the third supplemental appropriation for fiscal 1957, appropriated $4 million for emergency conservation practices. More recently, Public Law 85-170, the first supplemental appropriation for fiscal 1958, appropriated $20 million to meet the needs of rural areas struck by floods and other natural disas-

ters. This money is used to rehabilitate farms where existing conservation practices have been stopped by excessive rains or floods, and to replace the conservation practices established under the regular ACP program.

This work has been highly important in Kentucky and a number of other States, and is one of the few programs which can help farmers reestablish sound conservation practices and cope with the results of natural disasters.

I understand the authority for this work will automatically expire on June 30, 1958. Although less than $6 million of the $24 million provided will have been spent by June 30, much of the work remains to be done. In addition, the recent floods in eastern Kentucky, as well as in other States, will, without question, result in additional requests for emergency ACP assistance, as soon as the water recedes and the extent of the needs is known.

The existing authority should be extended, and in fact must be extended, if funds already appropriated by the Congress are to be utilized.

I do not think there is any question that the Congress will extend the authority, but I take this opportunity to introduce a bill for that purpose, and call the attention of the Congress to the fact that the authority must be extended before June 30, 1958.

I have called this matter to the attention of the Secretary of Agriculture, and I feel confident the Department of Agriculture will support the position I have stated.

I know, of course, that the Committee on Appropriations is aware of this situation, but I have introduced this bill so as to present the issue to the Senate.

The PRESIDENT pro tempore. The bill will be received and appropriately referred.

The bill (S. 3835) to extend the availability of certain appropriations for emergency conservation measures to June 30, 1960, introduced by Mr. COOPER, was received, read twice by its title, and referred to the Committee on Appropriations.

AMENDMENT OF INTERNAL REVENUE CODE OF 1954, TO CORRECT UNINTENDED BENEFITS AND HARDSHIPS—AMENDMENT

Mr. WILLIAMS submitted an amendment, intended to be proposed by him, to the bill (H. R. 8381) to amend the Internal Revenue Code of 1954 to correct unintended benefits and hardships and to make technical amendments, and for other purposes, which was referred to the Committee on Finance, and ordered to be printed.

PROGRAM FOR CONVERSION OF RAW STOCKPILE MATERIALS FOR IMMEDIATE USEFULNESS—ADDITIONAL COSPONSORS OF RESOLUTION

Under authority of the order of the Senate of May 14, 1958, the names of Senators MALONE, GOLDWATER, BIBLE, and CHAVEZ were added as additional cosponsors of the resolution (S. Res. 304) favoring a program for conversion of raw stockpile materials for immediate usefulness, submitted by Mr. MURRAY (for himself and other Senators) on May 14, 1958.

ADDRESSES, EDITORIALS, ARTICLES, ETC., PRINTED IN THE RECORD

On request, and by unanimous consent, addresses, editorials, articles, etc., were ordered to be printed in the RECORD, as follows:

By Mr. THYE:

Address entitled "Partners in Business," delivered by him before the Small Business Forum of the American Management Association in New York City, May 14, 1958.

By Mr. YOUNG:

Statement prepared by him on the subject Creating More Job Opportunities for Individuals Leaving the Farms and for the New Graduates of Our Colleges and High Schools.

By Mr. PAYNE:

Statement prepared by him and speech delivered by Hon. Wilber M. Brucker, Secretary of the Army, at Portland, Maine, on May 15, 1958, both relating to Armed Forces Week.

By Mr. FULBRIGHT:

Transcript of the press conference held on May 14, 1958, by the President of the United States.

By Mr. MARTIN of Pennsylvania:

Article entitled "CAMG Operations in Atomic Age Warfare," written by the Honorable STROM THURMOND and published in Military Review of January 1958.

NOTICE CONCERNING CERTAIN NOMINATIONS BEFORE COMMITTEE ON THE JUDICIARY

Mr. EASTLAND. Mr. President, the following nominations have been referred to and are now pending before the Committee on the Judiciary:

Henry J. Cook, of Kentucky, to be United States attorney, eastern district of Kentucky, for a term of 4 years, vice Edwin R. Denney, resigned.

John Burke Dennis, of Missouri, to be United States marshal, western district of Missouri, for a term of 4 years. (Reappointment.)

On behalf of the Committee on the Judiciary, notice is hereby given to all persons interested in these nominations to file with the committee, in writing, on or before Thursday, May 22, 1958, any representations or objections they may wish to present concerning the above nominations, with a further statement whether it is their intention to appear at any hearings which may be scheduled.

Mr. O'MAHONEY. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. CLARK. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

THE VICE PRESIDENT'S TOUR OF SOUTH AMERICA

Mr. CLARK. Mr. President, in this morning's Washington Post there appears an article entitled "Days of Trouble." The article was written by Walter Lippmann, and deals with the difficulties in which we find ourselves at the present time with respect to our Latin American policy.

This well-reasoned and persuasive article points out the desirability of making an investigation to determine how we got into the unhappy situation which seems to prevail with respect to our relationships with our Latin American neighbors and what we should do to rehabilitate the prestige of our country in that area, and to provide some assurance that our friends in Latin America will reestablish their friendship for us and their support for freedom in our cold-war battles.

I ask unanimous consent that the article by Mr. Lippmann be printed at this point in the RECORD, in connection with my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post and Times Herald of May 15, 1958]

DAYS OF TROUBLE

(By Walter Lippmann)

Once the Vice President and his wife are back home, and after all the official regrets and apologies have been received and accepted, the immediate question before us is how it happened that the Nixons were exposed to these outrages. It is manifest that the whole South America tour was misconceived, that it was planned by men who did not know what was the state of mind in the cities the Vice President was to visit. For what has happened should never have been allowed to happen, and those who are responsible for the management of our relations with South America must answer to the charge of gross incompetence.

It is essential that this charge be investigated either by the Foreign Relations Committee of the Senate, or, perhaps preferably, by a panel of specially qualified private citizens. We must fix and we must correct the causes which led our officials into this fiasco—into what it would not be exaggeration to call a diplomatic Pearl Harbor. Unless and until this is done, there is no chance that we shall profit by the lessons of this bitter experience. We must know why the planners of the trip were so ignorant, so ignorant about so many countries, so ignorant of what it is suitable and what it is not suitable for the Vice President of the United States to do when he goes abroad.

Before we can do anything to improve our position in Latin America, we must deal with those who have made such a mess of our position.

It is almost certainly a coincidence that simultaneously there are crises in Lebanon and in Algeria and that in each there have been violent manifestations against the United States. In South America the hostility which has been shown is directed primarily at our own acts of omission and commission. In Lebanon and Algeria we are not principals but are entangled in the quarrels of others.

About Lebanon the evidence is not clear but there are grounds for suspecting that there are Syrians and Egyptians who are intervening in a bitter internal struggle which centers on the reelection of President Chamoun. There are reports that as many as 500 have infiltrated themselves into Lebanon. The violence they are perpetuating has a strong resemblance to the raids—for the present suspended—against Israel.

So far as we are concerned, it is clear enough that the Eisenhower doctrine, which

has a lot of fine print underneath its resounding declarations, does not apply. The Lebanese case is one for the United Nations. It may be for a special session of the General Assembly.

The events in Algeria are the most important of all. They may well be the central crisis in the North African story, the crisis which leads either to catastrophe or to the beginning of recovery. Until now there has never been a government in Paris which was strong enough to win the Algerian war or strong enough to negotiate a settlement of the war. The center parties in France, which lie between the Communists on the left and the semi-Fascists on the right, have been paralyzed by a very powerful minority composed of the French settlers in Algeria, the vested interests in France which do business there, and portions of the French Army.

In the present crisis, the adventurous and extremist wing of this minority have seized power in Algeria and are attempting to impose their Algerian policy on the Government in Paris. It is hard to see how this issue can be compromised, as it was a little while ago when the Tunisian town of Sakiet-Sidi-Youssef was bombed and the Paris Government did not dare to disavow the act. For then the defiance of the French Government was concealed. Now the defiance is open and avowed.

So there is at issue now the sovereignty of the French Republic.

Mr. CLARK. Mr. President, it occurs to me that when the distinguished senior Senator from Oregon [Mr. MORSE] proceeds with his investigation of this matter—as he has stated he will do—it will be important to determine, country by country, and agency by agency, what advance information was made available to the Vice President which led him to take the steps in public relations which he took in Argentina, Uruguay, Paraguay, Peru, Bolivia, Colombia, and Venezuela, and resulted in nearly all, if not all, of those countries, in the outbursts of anti-American sentiment which presently is so alarming to us.

In that connection, I believe we should hear from the United States Information Service, from the Central Intelligence Agency, and from the embassies of all countries concerned, in order to determine to what extent the apparent outbreak of adverse public opinion represents the fulminations of a few Communists and to what extent it represents deep, underlying antagonisms toward United States policy.

It occurs to me also, Mr. President, that it would be well to determine whether the type of tour which the Vice President undertook, and particularly the type of public meetings which he attended, and the debates which he seemed to be eager to engage in with students, is a desirable type of activity for high-ranking officials of this country to indulge in.

Mr. President, I would not want anything I say to be construed as a personal criticism of the Vice President or his charming wife, who I think behaved with courage and discipline under great provocation; but I do think we need to know to what extent the unhappy incidents of the past 10 days are the result of misinformation or bad judgment, or are merely the outcroppings of long-held animosities against our Latin American policies.

Mr. President, I turn now to another subject.

The PRESIDENT pro tempore. The Senator from Pennsylvania.

THE JENNER-BUTLER BILL

Mr. CLARK. Mr. President, we have been treated on the floor of the Senate during recent weeks to a number of quite bitter attacks on the Supreme Court of the United States. These attacks have, in turn, engendered some defenses of the Court, in which defenses I, for one, have been happy to join.

I imagine that at a later date in this session we shall have to consider whether to call up and act on S. 2646, the so-called Jenner-Butler bill. In anticipation of some such debate—and I shall speak at some length on the matter later—I offer four editorials for the RECORD and ask unanimous consent to have them printed at this point in my remarks.

The first of the editorials, entitled "Extremists Trying Again To Pack Supreme Court," appeared in the Harrisburg (Pa.) Sunday Patriot-News under date of May 4, 1958.

The second editorial, entitled "Assault Upon the Court and Lessons of History," is from the Evening News, of Harrisburg, Pa., under date of Tuesday, May 6, 1958.

The third of the editorials, entitled "A Dangerous Bill," appeared on May 10, 1958, in the York (Pa.) Gazette and Daily.

The fourth and last of the editorials entitled "The Jenner-Butler Bill," also appeared in the York Gazette and Daily under date of Tuesday, May 13, 1958.

Mr. President, I suggest to my colleagues that these editorials, coming as they do from the heart of the farming area of the Commonwealth of Pennsylvania, a conservative area peopled to a large extent by our fine Pennsylvania Dutch, an area where radicalism of any sort has never made any headway, are well worthy of the consideration of my colleagues, because, in my judgment, they represent a grassroots rallying to the support of the Supreme Court of the United States as a great American institution which, in my judgment, has unfairly been under attack during the past few months.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Pennsylvania?

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Harrisburg (Pa.) Sunday Patriot-News of May 4, 1958]

EXTREMISTS TRYING AGAIN TO PACK SUPREME COURT

Of all the controversial changes for which the late Franklin D. Roosevelt waged battle, probably none stirred up more bitterness or caused more deep uneasiness than his attempt to pack the Supreme Court of the United States.

This ill-starred and ill-advised attempt by FDR blew up in his face. It probably lost him more friends and gained him more enemies than any other political venture upon which he embarked. There was a good reason for this: For all of the political emotionalism running at full tide in those middle thirties, there was one place an overwhelming majority of Americans put their partisanship aside—the very structure of our free, constitutional Government with its checks and balances against rampant minority and hysterical majority alike.

FDR, as Chief Executive, wanted to upset Supreme Court decisions he didn't like by loading up the high bench with appointees who would vote right.

Now a new assault, this time legislative, has been launched against the highest court in the land. This coterie of legislators has the same motivation as FDR: They don't like recent Supreme Court decisions and want to upset them.

What a coterie this is.

There are the rabid Dixiecrats, like Mississippi's Senator EASTLAND, who never will cease trying to overthrow the Supreme Court ruling and reinstitute the legality of segregation in Dixie's public schools.

There are the rabid leftovers of the McCarthy era, like Indiana's Senator JENNER and Maryland's Senator BUTLER (the Supreme Court ripper legislation bears their names). They are so obsessed with the danger of subversion that they would mark off the pillory of innocent Americans as just the price that must be paid so that not a single Communist could possibly beat any rap.

This past week, the Senate Judiciary Committee, so aptly termed "the citadel of reaction" by the New York Times, voted out the Butler-Jenner bill, 10 to 5.

Let all Americans note this: This is the first powerful legislative attempt since the hate-ridden years of the Reconstruction to strip the Supreme Court of any of its powers.

The Eisenhower administration has taken an adamant stand against this ripper bill, lock, stock, and barrel. Attorney General Rogers has called it a kill the umpire attempt.

Missouri's Senator HENNINGS, leading the battle against this drastic and dangerous legislation, brands it for exactly what it is: "An unvarnished attempt to intimidate the nine Supreme Court Justices."

Pennsylvania's Senator CLARK, it is gratifying to note, stands by his side and has spoken up unequivocally against the Butler-Jenner bill. We hope that when the showdown comes on the Senate floor, Pennsylvania's other Senator, EDWARD MARTIN, also will vote against the Butler-Jenner extremists. Pennsylvanians, who just this past Thursday bared their heads and beat the drums for law day and everything for which it stands, should write to Senator MARTIN, care of the Senate Office Building, Washington, D. C.

[From the Harrisburg (Pa.) Evening News of May 6, 1958]

ASSAULT UPON THE COURT AND LESSONS OF HISTORY

"Many of the significant, and what today are regarded as the wisest and most profound, decisions of the courts were very unpopular at the time they were made."—Attorney General Rogers in a Law Day address at Washington last week.

It is an ironic commentary on the times that when the Butler-Jenner bill to cut down the Supreme Court was reported out of committee, four Dixie Senators voted "Aye." And it is equally ironic that, when the debate starts up, a good many southern Senators will make the bitterest assaults upon the highest Court in the land. Dixie diehards just never will forgive the Supreme Court for its 1954 decision outlawing segregation in the public schools. That decision remains about as unpopular as a court decision can get throughout the South.

The last time a major legislative assault was made upon the Supreme Court, the Nation had just come out of the Civil War and a hate-ridden Congress was out to punish the South.

When the Supreme Court stood in its way, Congress—on a rollcall inflamed by pas-

sions—voted away the Court's jurisdiction in habeas corpus appeals. Then, as now, a decision of the Court was unpopular. On this occasion, the Supreme Court's habeas corpus jurisdiction would have set free a Mississippi editor who had been jailed by the local carpetbagger government of the Reconstruction.

Did the four Dixie Senators (Mississippi's EASTLAND, Arkansas' MCCLELLAN, North Carolina's ERVIN, and South Carolina's JOHNSTON) recall this history when they voted to report out the Butler-Jenner bill?

And did they recall history, too, earlier in committee considerations when they voted in favor of provision I of the Butler-Jenner bill?

This is the provision which would take away the jurisdiction of the Supreme Court to review rules set by the States for admission to the practice of law. An unpopular decision prompted this ripper provision. The Supreme Court last June reversed two State court decisions which barred admission to the bar of two attorneys because they had Communist connections.

Long ago, the Supreme Court used exactly this jurisdiction to stand up in behalf of southern attorneys. State reconstruction era laws were passed setting up the disbarment of all Dixie lawyers who refused to swear that they never had sympathized with the Confederacy. These laws had the effect of throwing out just about every attorney in the Southern States who was practicing law when the Civil War broke out. The Supreme Court ruled these punitive laws were unconstitutional, standing once again between the inflamed reconstructionists, who were out to clamp a harsh peace upon the South, and the Americans against whom these punitive measures were being applied.

Then, as now, the Supreme Court decision was extremely unpopular in a vast area of the Nation.

Then, as now, aroused Congressmen moved to punish the Court for a decision they did not like.

Then, as now, the Supreme Court was concerned not so much with the specific case before it as with the broad provision and application of constitutional law.

Then, as now, the guaranties of freedom could not be taken away from a few without being taken away from every American.

Then, as now, the Supreme Court stood as the guardian of individual liberties.

The shortsighted men, who would cut the Supreme Court down to size, are chipping away at the bedrock of this American guardianship. That's why the Butler-Jenner bill should be defeated.

[From the York (Pa.) Gazette and Daily of May 10, 1958]

A DANGEROUS BILL

The Senate Judiciary Committee has now approved the Jenner-Butler bill, sending it over its first big hurdle along the legislative obstacle course and giving a big boost to its chances of completing the course successfully.

Not infrequently measures move more or less quietly through Congress to enactment because the public does not awake to the great importance of them until afterward, when it is too late.

The Jenner-Butler bill is one of those measures couched in technical language and involving on their face no more than amendment of certain other acts or codes which can so easily carry a pretense of making minor, rather than substantial, changes in the law. But in fact this bill would seek to make very substantial changes.

The Jenner-Butler bill aims to safeguard the methods and uses of McCarthyism, those techniques of Congressional inquiry and the governmental contempt for the first amendment guaranties which became hateful to many Americans and caused the downfall of the late Senator McCarthy himself.

The committee-approved bill would do this by removing the Supreme Court as a final appeal against McCarthyist abuses such as "exposure for exposure's sake," as Chief Justice Warren in the Watkins case last year implied some Congressional inquiry bodies practiced against individuals. Specifically, such bodies would be the final authority on the pertinency of questions asked witnesses, thus returning to investigating committees the full opportunity to indulge in fishing expeditions.

The bill would prohibit the High Court from denying, as it did in two cases last year, States or bar associations the right to exclude persons from the practice of law on certain political grounds, an abuse of constitutional rights that grew directly out of the McCarthyite philosophy.

Another 1957 decision of the Supreme Court this bill would overthrow was that in the Steve Nelson case, which outlawed the sedition acts of Pennsylvania and other States on the ground that the Federal Government had taken jurisdiction in that field.

All of these rulings of the Warren Court were widely interpreted as further evidence, following McCarthy's setbacks in the Senate and with public opinion, of the decline, if not the actual defeat, of the spirit of McCarthyism in America. This had been a development that from all signs was greeted with a sigh of relief around the globe.

If Americans don't like and don't want any more McCarthyism, then they should make every possible effort to defeat the Jenner-Butler bill. For it would surely set us back on that discredited road again.

[From the York (Pa.) Gazette and Daily of May 13, 1958]

THE JENNER-BUTLER BILL

The Jenner-Butler bill, which a combination of conservative Republicans and southern Democrats has pushed through the Senate Judiciary Committee and might well succeed in pushing through Congress, seeks to limit the power of judicial review in constitutional cases that arise in the Republic. The bill's title, indeed, is "A Bill to Limit the Appellate Jurisdiction of the Supreme Court in Certain Cases."

In doing so it overthrows a governmental tradition that goes back to the foundings of the country. The Supreme Court was created by President Washington and the other Founding Fathers as the ultimate check and balance against abuse or subversion by the other branches of Government of our constitutional system of government.

Judicial review, the power of the Supreme Court to determine the constitutionality of Federal actions and laws, soon became judicial supremacy, and with the 14th amendment this supremacy was extended to cover the actions and laws of the State government.

That tradition has become deeply embedded. Countless legislative acts of both Congress and State legislatures have been voided by rulings of the High Court.

This dictatorial power theoretically resides in the Constitution but practically in the Court, and it is true that the power has been often abused. The Supreme Court has been far more vigilant in protecting the liberties of private property than the first amendment freedoms of the private person. This is abuse because whereas the charter bequeaths freedom as an unqualified command, there is no such automatic protection given to the rights of property.

Despite abuses, however, the democracy of the American society is built on the foundation stone of our written Constitution. It would have little chance to endure, as the different British system can, without that charter and an acceptance of its supremacy.

At the same time it is impossible to see how it can remain as a live, directing force without the practical application of its provisions provided by the Supreme Court. It requires a living institution trained in the job of carrying out its orders. And if the orders are to mean anything they must be obeyed. The Court has no troops, but it has always been obeyed, because Americans have considered this necessary.

Now the Senate Judiciary Committee says that, unbroken tradition to the contrary, the power of constitutional review (not in property cases, be it noted, but in certain free-speech and free-thought cases) should be limited. The bill is wholly discriminatory in that it picks out only certain kinds of cases. But it also undermines the whole principle of constitutional supremacy, for if a particular Congress can limit some areas of judicial review, there is no end to what that and other Congresses can do to all other areas whenever they don't like a Court decision.

This is a bill that would historically change the governmental conditions under which we live. No such bill should get through Congress without the most searching examination of the people and their legislators.

DOMESTIC MINERALS STABILIZATION PLAN OF THE SECRETARY OF THE INTERIOR

Mr. MURRAY. Mr. President, the so-called domestic minerals stabilization plan, which the Secretary of the Interior unveiled in part before the Senate Interior and Insular Affairs Committee on April 28, 1958, appears to be uniformly unpopular in mining circles, despite Presidential approval.

I ask unanimous consent to have printed in the RECORD at this point an editorial from a leading Montana newspaper, the Great Falls Tribune, of May 4, 1958, which expresses the feeling of the Montana mining industry toward the Seaton plan.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Great Falls (Mont.) Tribune of May 4, 1958]

MINING RELIEF PLAN IS FEEBLE

The metal-mining industry in Montana and elsewhere isn't sending up any cheers for the administration program to help the depressed metal-mining industry.

In sending the proposal to Congress, Secretary of Interior Seaton told the Senate Interior Committee that it has the President's approval. He added that it would stabilize mining by giving Federal payments to make up the difference between the domestic-market price and a fixed stabilization price, put at 27½ cents for copper, 14¾ cents for lead, and 12¾ cents for zinc.

Seaton said his program was no mere palliative, but western mining men don't agree with him.

Reviewing comments of Utah mining spokesmen relative to a situation that is similar to that in Montana, the Salt Lake Tribune comments:

"There is good reason to question whether the proposed program will be of any help to the lead-zinc industry in Utah. The stabilization price is held to be too low to encourage production. One mine executive pointed out that the peril-point prices of lead and zinc recognized by the Interior Department only last year were higher than the proposed stabilization prices. Another termed the proposal the 'coup de grace for independent

mining.' He saw no hope of reopening his mine on the basis of the Seaton plan. Another executive said his mine had been operating at a loss for more than a year 'in the hope this administration would take us off the hook.' But 'this isn't the way to do it.'

"Perhaps most significant was the comment made by Charles D. Michaelson, general manager of the western mining division of Kennecott Copper Corp. 'Giving Kennecott 2½ cents a pound for every pound of copper it sells to a fabricator at 25 cents a pound isn't going to increase employment at our mines,' he said.

"It doesn't seem that this proposal will add any mining employment in Utah—and if it doesn't do that, it is difficult to see what good it is. It might conceivably keep a little life in a mighty sick industry, but it will not restore the industry to vigorous health."

COMMENTS ON THE VICE PRESIDENT'S TOUR OF LATIN AMERICA, AND THE DETERIORATION OF PAN AMERICAN RELATIONS

Mr. JOHNSTON of South Carolina. Mr. President, in all our American history there has not been recorded any parallel to the treatment we have received in the antagonism shown to the Vice President on his presently concluded tour of our neighboring South American countries. He was not there in his individual and personal character. He was not there as the sole representative of the President. He made these visits in the name of and as the representative of the American people. The treatment accorded him as our representative was disgraceful, humiliating, and unjustified. We are glad that he and his gracious wife are again safely home.

I agree thoroughly with the sentiments expressed on the floor yesterday by the majority and minority leaders and other Senators in their expressions of regret and condemnation of the treatment accorded to the Vice President and Mrs. Nixon. This is no time, however, for loose criticisms of our friends to the south of us. This is no time for reprisals. This is no time to dwell on our resentment. The fact remains that incidents marked by violence have erupted in Lebanon, Algiers, and Indonesia, as well as in several of the countries in South America. America has been the object of book-burning episodes, library destructions, and, as well, bitter attacks and efforts to do bodily and physical harm to our representatives.

This is the time for serious reflection. Now is the time for some soul-searching. Now is the time for us to reexamine and reappraise our policies, efforts, and treatment not only of our friendly neighbors in South America, but our real friends throughout the world. It is indeed, a sad day, in our history when anti-Americanism is running so high south of the border that the President of the United States felt it necessary to dispatch troops to further protect the members of the official Vice Presidential party. Armed troops afford no solution to these problems. More lavish and unwise foreign giveaways will solve none of our problems. The diplomatic siege in many parts of the world in which we now find ourselves entrapped requires more than thoughtless handouts of our goods, services, and hard-earned moneys. The accumulated antagonisms accruing against the United States and our representatives abroad arise from deeper resentments. Neglect, discrimination, and a failure to build upon the good neighbor policies of prior administrations account for much of the present ill-will and anti-Americanism we find rampant in many parts of the world. Our mutual interests, economic, material, spiritual, and cultural have been sadly neglected in many countries of South and Central America.

To our detriment, this administration has turned its back on an established good neighbor policy. The globalists who have been busy frantically shoveling out foreign aid to all parts of the distant world have precious little time for our South American neighbors. They have been given shabby treatment by the "big picture" men who have had eyes only for faraway places; and so the vast volume of good will for the United States which existed in the countries of Latin and South America has been allowed to shrivel and die.

Need anyone be surprised that the Communists jumped in to fill the vacuum this administration has created in our relations with the countries of Central and South America—a vacuum which was largely occasioned by our shabby neglect of these good people? And, as we attempt to rescue the situation and build an endurable and constructive policy, let us make no mistake about the vast majority of the people of Latin and South America being true blue. They are rightfully and traditionally our friends. They want to remain so; they need our friendship, help, cooperation, guidance, and understanding.

Mr. President, by our negative policies toward Latin and South America, by the Eisenhower administration's scrapping of the good-neighbor policy, we presented the Communists with an unrivaled chance to occupy a void. For some time past it has been evident that the Communist conspiracy was at work in those countries. We did not need the headlines of recent days to inform us that our stock was not selling highly on the mart of public opinion in South America. The Communists have been gradually undermining us there for many, many months past.

Last fall, as a result of a tour of inspection in several Central and South American countries on behalf of the Internal Security Subcommittee of the Senate Judiciary Committee, I submitted a report and called the attention of the American people to the centers of communistic growth in these countries. In that report I concluded as follows:

I urge the Internal Security Subcommittee to take a better look at these revolutionary and communistic groups and find out where the money comes from which permits them to continue in existence. I likewise urge this committee to review carefully the activities of the executive branch of the Government which, whether planned or unplanned, have up to the present time resulted in promotion of the interests of these same groups to the detriment of the best interests of the United States. Finally, I suggest the adoption of the policy of critical review and analysis of facts in advance of headlines.

I submit that it is impossible to bring stability of government to the states of Central America while at the same time some branches of our Government aid and encourage those groups within the United States who are determined that there shall be no stability of government within that area. If we expose and eradicate communistic influences against Latin America, we will have done more to secure the freedom of those nations that anything since the Monroe Doctrine.

It is just as much—or even more so—the duty of Congress and of our committee to investigate and expose conditions here at home as they relate to South America as we do conditions that relate to Hungary, Poland, or any other area of the world.

Again on January 23 of this year I delivered a brief address on the floor of the Senate in which I concluded as follows:

I urge vigilance in our affairs with the states of Latin America. Today we are relatively secure in that area, it was only yesterday that we were relatively secure in the Middle East. We must profit by our Middle East experience and we must always remember that Latin America represents Russia's most coveted territory.

The Internal Security Committee intends to do its part in this important work; we hope for assistance and cooperation from all who are able to provide it.

The reward I received for these solicitations and warnings was abuse, ridicule, rebuffs and scorn, not only from officials of this administration, including the Secretary of State and his brother, Mr. Allen Dulles, the Chief of our supersecret Intelligence Agency, but also from some of the press of the country. They knew better than I. They were right and I was wrong—at least, so they said and thought. Everything was in order and nothing but happiness, light and good will prevailed. Now in view of what has just transpired, what are Mr. Dulles and his brother going to say or do about the situation? Do they indulge the hope that by force of arms a situation so real, so deepseated and so widespread can be remedied? Well, the skies are black now with the chickens coming home to roost.

I take no pride or pleasure in having been a forecaster of the ill news all around us—my only regret is that because of some false intellectual pride or unwillingness to face this unpleasant situation, the administration chose to turn its back on what was obviously a festering condition. Now we have a crisis on our hands, Mr. Dulles has us tottering on the brink again.

Of equal importance, if the probe had been authorized last year, as I urged, it is likely we would have been forewarned and able to do much to check the advance of the Red conspiracy, which during the past months has had the chance to fasten its tentacles into that vast and vitally important area. Certainly the spectacle of our Vice President being humiliated by being spit upon, and the vulgarities and physical violence of Communist elements could have been prevented.

Mr. President, I should like to emphasize anew that not only do we desire to live in peace and harmony with our traditional friends to the south of the border, but also, in today's world, confronted with the threat of nuclear war-

fare, it is vital to our national welfare and safety that we have the closest working arrangements and military ties with them.

The principal military threat to the safety of the United States at present is in the form of a lightning attack over the Arctic Circle. This is well recognized. It is because of this fact that the effort is being made currently to arrive at some understanding with the Soviets for aerial inspection in the Arctic theater, thus to avoid any surprise attacks on any power by any other nation. In this situation, while we are concentrating in the north, it is most advisable and necessary that we have our flanks protected—and today, when we speak of flanks, in this day of intercontinental missiles, we must think in terms of continents. We cannot afford to have any kind of a threat smouldering at our backs, or at the backs of our friends, while we are facing to the north, prepared for the main thrust.

Every consideration of decency, fair play and enlightened self-interest dictates that we replace our negative, sterile, do-nothing, unfruitful policy toward Latin and South America with the dynamics of our former good-neighbor policy—that we take constructive steps, and immediately, to repair the damage which has been caused by our neglected relations with Latin and South America over the past 6 years.

I submit the first step in the restoration of such a needed policy is the immediate authorization of an investigation by the Senate Internal Security Subcommittee so that, to the advantage of both partners in this hemispheric pact, we can root out the Communist conspirators who, working from bases in this country and in selected areas in South American countries, would destroy every vestige of all that has served all of us so well in this hemisphere over the years.

Mr. President, I now ask unanimous consent that my report dated August 21, 1957, made to the Internal Security Subcommittee of the Senate Judiciary Committee, entitled "Communist Problems in Latin America" be printed at this point in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

COMMUNIST PROBLEMS IN LATIN AMERICA

The following report on Communist problems in Latin America, made to the Senate Internal Security Subcommittee by Senator OLIN D. JOHNSTON, was ordered into the subcommittee record by Chairman JAMES O. EASTLAND.

August 21, 1957.

To: JAMES O. EASTLAND, chairman, Internal Security Subcommittee, Senate Judiciary Committee.

From: OLIN D. JOHNSTON.

Subject: Communist Problems in Latin America.

Beginning back when a close friend of mine, the late John Peurifoy, was assigned Ambassador to the Latin American country of Guatemala, I took on a renewed and deeper interest in Communist activity in Latin America and in our Territories and possessions. Mr. Peurifoy was well aware of the negligence of the United States toward Communist activity in Latin America. When he was in Guatemala he was very prominent in helping the freedom-loving people of that country to throw off the nearest threat of communism taking over a government in the Western Hemisphere that has ever occurred. My personal friendship with Mr. Peurifoy and his conversations with me sharpened my interest in Latin American security.

The Monroe Doctrine of 1823 laid down a principle that did more than any other single thing to free the nations of Latin America from foreign yoke. Today we still stand ready to ward off armed attack against any of our Latin American neighbors.

But in recent years we have been negligent in helping to detect and to rid our Latin American neighbors of foreign infiltration. The Nazis went a long way in establishing a foothold in Latin America and today the Communists are doing their best to worm their way into our good neighbors. While we worry about the happenings in the Far East and the Middle East, in Africa and in Eastern Europe, we seem to be reluctant to do anything toward warding off aggression of the same kind in America.

In December 1956, as a member of the Internal Security Subcommittee, I visited Hawaii, accompanied by other members of the Senate Internal Security Subcommittee, for the purpose of determining the extent to which communism had been successful in infiltrating the economic and political activity of the Hawaiian Islands. That investigation disclosed in a shocking manner the determination of the Communists to eliminate democracy from Hawaii. The findings of the subcommittee are the subject of a report to the full committee, dated December 3, 4, 5, and 6, 1956.

These hearings give evidence to exactly how the Communists move into a country and take over. They prey upon poverty, ignorance, and class differences. They worm into unions and other organizations and eventually obtain positions of strategic importance, in that within a few hours they can tie up the economy of commerce of an entire country or island.

All this has brought to me a deep concern. If it has happened as vividly as it has in Hawaii, then what must be the situation in Latin America which is even closer to us than is Hawaii in many instances?

From private and public sources I began picking up information and reports that each day become more alarming to me. These reports deal with the Communist infiltration within Latin America and the growing instability of friendly governments as a result of this infiltration.

Stability of government and freedom from communistic influence, much less domination, in each of the Latin American countries, is a subject which I have always felt was of paramount importance to the United States. But never has the matter been more significant than at present. The present administration is dedicated to a program of encouragement to private American investors to invest freely and with confidence in the several Latin American countries. The fulfillment of these highly desirable goals is impossible without stability of government, and no government in Latin America can remain stable while being subject to constant internal communistic pressures.

From our point of view, economic considerations fade into insignificance when we consider the dangers to our own military security in the event of any one of the Latin American governments becoming the working agent of Moscow.

Only recently the press was filled with stories of how the Communist Party leaders in British Guiana managed to elect a majority of the elected members of the government there. Only the members of government appointed by the British Crown stand between a Communist anarchy in that country and a democratic form of government.

With such a foothold in the Western Hemisphere it can be readily seen how they will spread to other countries. They especially will move in on some countries that have no foreign friendly crown to maintain a shaky stability.

How long it will be before the Communists in British Guiana, for example, revert to violence against the British Crown and create an international incident is anyone's guess. When they stir up this trouble and the British move in to overcome the Communist rule, then the Communist governments of Europe and Asia will have a propaganda heyday.

These considerations have stimulated my interest in knowing more about conditions in these Latin American countries. I have studied the subject and I have this year visited Puerto Rico, the Virgin Islands, Haiti, and the Dominican Republic, to see for myself and to talk with leaders of government in order to determine as accurately as possible precisely what political conditions exist. I intend, as soon as time permits, to continue my visits and my talks with leaders of government in other countries of Latin America.

While I was surprised at the communistic efforts in Hawaii, I was shocked by their efforts in Latin America. It is common knowledge that political unrest commences at the extreme southern tip of Latin America and runs north through almost every country in Latin America.

Argentina has only recently been the scene of bitter riots and bloodshed. With no better information available than the daily newspapers, it is clear that the present Government of Argentina is not firmly in control of the affairs of that great state. This pattern continues and exists in most of the other nations of Latin America. Only recently the President of Nicaragua was assassinated and a new government took control. A scant time ago an armed uprising took place at the palace in Cuba, causing the death of many Cubans and even some United States citizens who were in no way involved in the political affairs of Cuba. Recently Chile was torn by riots and revolt and loss of life. Haiti has had several governments in less than 1 year.

In recent weeks the President of Guatemala has been assassinated by a known member of the Communist Party. The results of that assassination cannot yet be assessed, for we do not know at this time whether a new communistic-controlled government will again succeed in power.

It is unnecessary to continue calling the roll of states and pointing out the instability of government in each of these states in which obvious communistic forces continue to work against each existing government. However, we need only to look to our immediate neighbors in Central America, and glance at the list of states in order to find out whether even one government exists upon which the United States can rely. When we look at the roll of states we see Cuba presently strife bound; Honduras continually in the throes of turmoil; Nicaragua's government, for years under the leadership of General Samoza, only to be murdered by an assassin, lead the country to turmoil; Costa Rica, the known hotbed and headquarters of communistic activities of Latin America. (This country is presently the accepted headquarters of the communistic leader of all Latin America, Romulo Beatancourt, who has brazenly published a book to inform the world of the Communists' intention to take Venezuela by force and capture the vast American investments in that country. I have turned this book over to the Internal Security Subcommittee and it is being given careful consideration.) Panama with its President executed only last year continues to be the scene of a struggle

for power between the Communists and non-Communists. Haiti has seen several governments in 1 year and is the personification of abysmal poverty.

In all of Central America there remains only the Dominican Republic which has had continuity of government for 27 years and is known throughout the world as the implacable foe of communism. This country has rendered a greater force in deterring the spread of communism in Central America than any other country in the Caribbean area.

These are the political facts as they relate to our most immediate neighbors to the south. Can it be this is the type of atmosphere in which the American investor is being urged to invest his money, or which we in the United States are being asked to rest complacently on, in the belief that communism is actually thousands of miles from our shores?

My recent travels through Haiti and the Dominican Republic provided an excellent basis for comparison between two governments occupying the same island, one torn by communistic-inspired instability and the other stable, firm, and well organized. I found in Haiti all the ingredients which are contrary to the best interest of the United States: extreme poverty, hatred of the peasants against the large landowners; educated people without employment exclaiming the virtues of the collective state, grossly inadequate educational facilities, ignorance of masses of people, speakers and handbills circulating among the people, all preaching the same doctrine "Down with the United States of America."

I would contrast this Haitian situation with the activities which have been in effect in the neighboring country of the Dominican Republic. I have visited that country before and I have reported to the Senate on the excellent economic conditions which exist within that country. In that report to the Senate I dealt with that country's freedom from internal and external debt, its health and welfare measures, its educational system, and the freedom of its courts from political interference.

I can now report that, as far as I am able to determine, the Dominican Republic is the undisputed friend of the United States in the Caribbean area. It is equally as vigilant as the United States in its determination to remain free from communistic controls. Internal subversion in that country has been repeatedly attempted and has repeatedly failed. Communistic organized and controlled armed invasions have been attempted and have been crushed. Today it appears that a loyal and watchful people have made armed assault almost impossible. This country is truly the rock of stability in the turbulent Caribbean.

If the United States has any better friend in the entire Caribbean area, I am unaware of which one it is. However, I would be most pleased to learn that any of the neighboring countries had gained such political maturity as to make them valued and trusted allies. I will suggest that our Government do all that is possible to develop such allies within the neighboring states.

Even though we desperately need additional reliable governments of ability and maturity in this critical area, it appears to me that the administrative agencies of our Government are not following all the procedures that tend to encourage stability and discourage instability. We have too many overzealous and partially informed law-enforcement officers within the United States. They are all too quick to look for newspaper headlines in place of facts. If they collect and evaluate facts at all, it appears that the evaluation takes place after the headlines and not before.

These same officials of our Government, by their actions, by their intolerance, and by their acceptance of the words of irresponsible revolutionary leftwing groups operating from within our own country and particularly in New York and Miami, have already raised these irresponsible people to a position of dignity and respect in the eyes of the people, which is completely unjustified.

While a great part of our press at home is out conducting a crusade against the Dominican Republic, the greatest foe of communism in the Latin American area, it silently allows communism to move in on dozens of Latin American countries.

I feel the Internal Security Subcommittee of the Senate should delve into the problems of Communist influences in America as aimed against our Latin American neighbors.

I urgently believe a reawakening of the situation is desperately needed in this country before the leftwing writers and the fellow travelers succeed in assassinating the Dominican Republic and other governments in Latin America and alienating their friendship for the United States.

I urge the Internal Security Subcommittee to take a better look at these revolutionary groups and find out where the money comes from which permits them to continue in existence. I likewise urge this committee to review carefully the activities of the executive branch of the Government which, whether planned or unplanned, has up to the present time resulted in promotion of the interests of these same groups to the detriment of the best interests of the United States. Finally, I suggest the adoption of the policy of critical review and analysis of facts in advance of headlines.

I submit that it is impossible to bring stability of government to the states of Central America while at the same time some branches of our Government aid and encourage those groups within the United States who are determined that there shall be no stability of government within that area. If we expose and eradicate communistic influences against Latin America, we will have done more to secure the freedom of those nations than anything since the Monroe Doctrine.

It is just as much—or even more so—the duty of Congress and of our committee to investigate and expose conditions here at home as they relate to South America as we do conditions that relate to Hungary, Poland, or any other area of the world.

Mr. JOHNSTON of South Carolina. Mr. President, I send to the desk a number of editorials, columns, and news items from several prominent newspapers which all bear out what I have said today regarding the deterioration of Pan American relations.

I ask unanimous consent that these editorials and articles be printed at the close of my remarks.

There being no objection, the articles and editorials were ordered to be printed in the RECORD, as follows:

[From the Washington Daily News of May 6, 1958]

FORMIDABLE AID PLAN—REDS PUSH DOLLARS AS COLD WAR WEAPON

(By Charles M. McCann)

Soviet Russia is using its ruble as a weapon in the cold war while it stocks nuclear weapons for a possible hot war.

Soviet Russia's progress in the nuclear weapons field, the impressive size of its armed forces and its threats to allied countries that they face destruction if world war III starts, get most of the headlines on the cold war.

By means of a carefully calculated foreign aid program, the Soviet government is courting the favor of uncommitted countries all over the world.

These uncommitted countries are those which are not alined either with Russia or with the Western Allies. Some of them are neutralists like India and Indonesia. Some are openly anti-Communist.

EXAMPLE

The most recent example of the Russian economic offensive is that in the Middle East.

Russia has given Egypt hundreds of millions of dollars in military aid. It has provided Syria, now merged with Egypt in the United Arab Republic, with military aid far in excess of that country's needs. It has now started to arm Yemen, one of the key strategic points in the Middle East, which has federated itself with Egypt and Syria.

In addition to military aid, Russia is giving Egypt enormous sums in economic aid. It is now trying to get a foothold in Western Africa—Libya and newly independent Ghana.

WEAPON

The program of Soviet economic aid is a formidable weapon.

Allen W. Dulles, director of the Central Intelligence Agency, gave a grave warning of the danger of this weapon in a speech last week to the United States Chamber of Commerce here in Washington.

"It is most probable that the fateful battles of the cold war will, in the foreseeable future, be fought in the economic and subversive arenas," Mr. Dulles said.

[From the Washington Post of May 9, 1958]

NIXON IS JEERED, STONED—CANCELS SPEECH IN PERU

(By Stanford Bradshaw)

LIMA, PERU, May 8.—Jeering Peruvian students stoned and spat upon Vice President RICHARD M. NIXON at ancient San Marcos University today.

One stone grazed his neck. Another hit Secret Serviceman Jack Sherwood in the face, chipping a tooth.

"NIXON get out!" shouted the demonstrators. Lima newsmen described them as Communists or Communist sympathizers.

NIXON finally canceled a talk at San Marcos, saying he feared someone might be badly hurt. It was a day, NIXON said, that "will live in infamy."

FLAG DESECRATED

Demonstrators tore up a floral American flag in a wreath NIXON had laid at a monument to San Martin, a South American liberator.

NIXON told a news conference later that Foreign Minister Raul Porras gave him official and personal apologies for desecration of the United States flag.

The Communists "think they won a victory," NIXON said, "but they suffered, as time will tell, a great defeat."

"This day will live in infamy in the history of San Marcos University, not because of what the students at San Marcos did, because few were involved, but because a violent and vocal minority denied freedom of expression, without which no institution of learning can deserve the name great.

"When one of the demonstrators spit in my face * * * he spit on the good name of Peru and the ideals of the liberator San Martin."

NIXON said "There is no question but that the Communists have selected Latin America as a major target in their international policy."

He added that he would not presume to tell each nation how to handle the problem, but when the Communists use violence, the government must take appropriate action.

NIXON had been warned there might be trouble if he went to San Marcos. He said the decision to go was his own.

"I decided to go primarily because it is important not to allow a minority element to appear to have the power to deny freedom

of expression in an important university," he said.

"The decision was perhaps a close one * * * made over the objections of a majority of those aware of the facts involved.

"Those of us who support the cause of freedom must never show cowardice. I think the decision was right."

NIXON told the news conference he had made no formal protest. He said he did not intend to stand on protocol and that, so far as he was concerned, no apology was needed.

In Washington, White House Press Secretary James C. Hagerty declined to comment when asked if there might be a diplomatic protest. He said President Eisenhower had read news accounts of the stoning pretty closely.

[From the Washington Evening Star of May 9, 1958]

NIXON STONING BELIEVED PRIMARILY WORK OF REDS

(By Earl H. Voss)

Three days before Vice President NIXON took off from Washington for South America, the United States Tariff Commission recommended that duties on lead and zinc be more than doubled. Peru is one of the leading exporters of the two minerals to the United States.

That recommendation has a good deal to do with sentiment in Peru against the United States. But both State Department and Peruvian Embassy officials here attribute the intemperate stoning of Vice President NIXON primarily to Communists.

PERUVIAN COMMENT

The Peruvian chargé d'affaires in Washington, Senor Don Miguel Grau, said this morning the anti-Nixon demonstrations were part of a well-conceived plan, Communist inspired. The Communists have chosen Peru, he said, "because she is the best friend of the United States in Latin America. They wanted to disturb our friendly relations."

The Communist Party is very small—insignificant in Peru but recently has been very active, he reported, although there has been a terrific reaction against them.

The Reds, he believes, took advantage of a golden opportunity, knowing that Vice President NIXON likes to get to the people and talk with them.

Peru's Constitution outlaws all international parties, and Communists are considered members of international parties. There are, therefore, no open Communists in the 182-member Chamber of Deputies or 54-member Senate.

But the Reds do have considerable strength in the labor movement. Still it has not been enough to cause big trouble. The anti-Communist but leftist American Popular Revolutionary Alliance has frustrated Red efforts to dominate organized labor in the country.

The State Department has no estimates on how many Communists there are among the Peruvian students. Only about 900 of the 9,000 students at San Marcos, scene of the stone-throwing, are leftists. Fewer, presumably, are actual Communists.

But a series of economic difficulties have brought frustrations to Peru's efforts to raise its standard of living. A severe and prolonged drought has provided ground for Communist agitation in the southern Andes, long a favorite breeding ground for Reds. The United States has given approximately 137,000 tons of food to Peruvians to help relieve the drought's effects.

MANY LABOR DISPUTES

During the past year there have been many labor disputes and several strikes.

Peru's economic situation, dependent for 20 percent of its national income on foreign trade, has also been hit by the world-price dip in her exports of sugar, cotton, copper, silver, lead, zinc, iron, fish, petroleum, and animal products.

[From the Charleston (S. C.) News and Courier of May 12, 1958]

AFFRONTS TO VICE PRESIDENT NIXON WILL HURT REDS IN LATIN AMERICA

At the risk of personal injury and damage to the prestige of the United States, Vice President NIXON undertook to visit San Marcos University, near Lima, Peru.

Mr. NIXON'S decision to face stones and insults hurled by Communist students was, we believe, one which his fellow citizens should approve. Instead of being able to say they scared off the Vice President of the United States, the Reds now have nothing to boast about but bad manners.

Despite widespread misunderstanding of United States motives, a majority of Latin Americans recognize the United States as a powerful and generous friend. The noisy violence of the students of San Marcos is not typical of the welcome that North Americans may expect from their neighbors to the south.

The concern of Peruvians and other South American citizens over their countries' commercial relations with the United States is understandable. There is ground for suspicion that, while the United States has been courting allies in Europe and Asia, it has been neglecting important friendships closer to home.

The evidence of this neglect is the strong following that Communists have been able to build up in some Latin American nations. Mr. NIXON'S refusal to shrink from the demonstrators at San Marcos was a challenge to Latin American Communists on their home grounds. In meeting the challenge, the Communists may have overplayed their hand. Many South Americans may grumble about the United States. We doubt that many of them will approve of the breach of hospitality accorded to Mr. NIXON at San Marcos.

To many South Americans, the Communist hostility which has confronted Mr. NIXON during the course of his goodwill tour may be an eye opener. It should be an eye opener to North Americans as well. The rocks that flew about Mr. NIXON'S head were a warning. It is time for the United States to repair some alliances in this hemisphere.

While the repair work is going on, the misbehavior of the students of San Marcos should be forgiven and forgotten.

To patriotic United States citizens insults to the Stars and Stripes are offensive and hard to swallow. We are confident, however, that recollection of the ugly incident at San Marcos will leave as bad a taste in the mouths of responsible Latin Americans as it does in ours.

[From the Washington Evening Star of May 9, 1958]

COMMUNIST INFILTRATION DRIVE—REDS SEEN GREATLY AIDED BY TENDENCY IN UNITED STATES TO POOH-POOH CONSPIRACY

(By David Lawrence)

The Communists are stepping up their infiltration in all the countries of the Free World. They feel cocky about their successes inside France, inside Italy and inside Great Britain. They are still hopeful that they can force a change in American policy, drive out their archfoe, Secretary Dulles, and give themselves also a mastery of the whole military situation by stopping our nuclear tests.

To conquer or dominate the world without firing a shot—this is the objective which the Communists are confident they can attain because of various weaknesses in the Free World countries.

Many Americans are still unconvinced that there is any Communist menace, and they are prone to believe that to stop nuclear testing, for instance, is merely a logical way to avoid a nuclear war. But the amount of organized propaganda behind this and other Communist drives indicates clearly that the agents and auxiliaries of the Moscow government are provocatively busy everywhere improving their own military position.

The demonstrations by Communist sympathizers against Vice President NIXON in the various Latin American countries he has been visiting are dramatic examples of how the Soviets operate in the cold war. To them the fight is on in earnest, and lately it has been going the Communists' way almost by default. This is largely because there is a tendency, principally in the United States, to pooh-pooh the Communist conspiracy.

Meanwhile, internal subversion in America is progressing rapidly, and any efforts by Congressional committees to expose what's happening are reported to have been effectively squelched by the Democratic leadership, which evidently must be theorizing that the public will not mind if the Democratic Party is again accused of becoming soft on communism. For it is apparently assumed by the Democratic leaders that there is no need for incisive investigations of the ways by which the Communist apparatus is today making headway in the United States, particularly in the field of science.

Yet, while the background of some of the men who are in the forefront of the movement to disarm America and weaken her position on nuclear weapons cries out for exposure, the Congressional committees have been told to keep their hands off. For they have done nothing about exposing the phony petitions and the devious methods by which organized propaganda against nuclear testing has been thriving lately, not only in this country but among our allies.

The Communist success in paralyzing the Government of France and an almost parallel achievement in breaking up the political parties in Italy is cause for genuine concern. The inroads made by the Communist viewpoint in British Socialist circles is the gravest threat to allied solidarity yet to appear. What would happen to world policies in the North Atlantic Treaty Organization if the Conservative government in Britain is ousted is a matter of grave worry everywhere.

Inside the United States there isn't as yet a general awareness of what hurts this country abroad. Thus the other day Senator CLINTON P. ANDERSON, of New Mexico, Democrat, in a spur-of-the-moment comment on a television broadcast—which he probably regretted the moment he made it—said that the United States military men want dirty bombs and are making dirtier H-bombs. The Atomic Energy Commission denied this categorically, but for the last few days the Soviet radio has been exultantly repeating in many languages throughout the world the comment by former head of the Joint Committee on Atomic Energy of both Houses of Congress.

Then there is the situation about surprise attack, which the Russians have been publicizing lately because of American maneuvers in the Arctic. A new drive is on to compel our Strategic Air Command to stop training for interception of a surprise attack. This, plus a ban on further testing of nuclear weapons, would give a military advantage of tremendous value to the Soviets.

Small wonder the Communists think they can conquer or dominate the world without firing a shot—they still think Americans are gullible and naive. And, judging by the current attitude here toward Soviet infiltration in the United States, the Communist planners may feel they have some basis for their theories, though it would prove to be a tragic miscalculation if they ever forced the issue to a climax.

[From the Washington Post and Times Herald of May 9, 1958]

NIXON'S STUDENT TALKS CANCELED AFTER STONING

QUITO, ECUADOR, May 9.—Vice President RICHARD M. NIXON arrived at Quito Airport today from Lima, Peru. It was the sixth stop on his South American good-will tour.

He was greeted at the airport by Ecuador's *Vice President* Francisco Illingworth, United States Ambassador Christian Ravndal and Quito's mayor, Carlos Andrade Marin.

Apparently the stoning of the NIXON party at San Marcos University in Lima yesterday put an end to Mr. NIXON's face-to-face attemps to convince Latin American students the United States is a better bet than the Soviet Union.

Before he left Lima it was announced that a round-table conference with Ecuadorean students and labor leaders, scheduled in Quito, had been canceled.

Sources close to the Vice President said in the three nations remaining on his tour he *might* abandon his custom of visiting the leading universities to talk with students.

ANOTHER DEMONSTRATION

Mr. NIXON had been warned that his visit to the Lima university yesterday might result in leftist-inspired violence but he went ahead. A rock grazed his neck, and a tooth of a United States Secret Service agent was chipped by a flying stone as students spat on the party and jeered: "Nixon get out." Mr. NIXON shouted back: "Don't you want to hear the facts?" But the mob shouted him down and he left for Lima's Catholic University to meet students there.

As Mr. NIXON returned to his hotel on foot, another group demonstrated against him.

The outbursts against the Vice President shook Lima. The influential newspaper El Comercio said the police should have taken steps to prevent the outbreaks. Opposition papers already had criticized the Government for failing to prevent similar—but milder—anti-Nixon demonstrations the day before.

REDS TO BE ROUNDED UP

Mr. NIXON made no official fuss but Foreign Minister Raul Porras quickly expressed official and personal apologies. The Government also replaced the wreath Mr. NIXON had laid on the monument to South American patriot Jose San Martin, which demonstrators tore up.

[From the Washington Evening Star of May 9, 1958]

THE ROCK THROWERS

To say the least, it is irritating to read of the reception accorded Vice President NIXON by a crowd of Communist-inspired lardheads in Lima, Peru. Mr. NIXON is in Peru on a good will mission as an official representative of our own Government. He is entitled to adequate police protection from the rock throwers, and the Peruvian authorities should see that he gets it.

At the same time, this incident should be kept in some perspective. For we have our own lunatic fringe. Remember the picture of Wendell Willkie after he had been hit with an egg thrown by some American heckler during the 1940 campaign?

Mr. NIXON knew he was taking a calculated risk of a sort in trying to talk to the students at Lima's 400-year-old San Marcos University. Apparently, he had been advised by the Peruvian authorities to stay away. But this was not an easy choice. Would it have been better for the Vice President of the United States to have taken the timid course? Or was it better to try to talk to a hostile student body and a dozen or so rock throwers, who did their work from the rear ranks? All things considered, Mr. NIXON, we think, made the right decision. At least, he is not going to be laughed out of Peru.

Of course, there remains a question as to whether this demonstration in Lima reflects the attitude of the majority of Peruvians, who fear the prospect of higher American tariff duties or tighter quotas on the importation of lead, zinc, and copper. If so, someone should tell them that throwing rocks at the Vice President is not the best way to win friends in the United States and favorably influence the American Congress. We prefer to believe, however, that this is not the case—that most Peruvians are like most Americans, and that they have at least as much contempt for the hoodlum element. If this is so, Mr. NIXON's mission, and the manner in which he has handled himself, may yet bear good fruit.

[From the Scranton (Pa.) Times of May 9, 1958]

NIXON ATTACK OUTRAGEOUS

Even though all the evidence indicates that the demonstration was inspired by Communists who planned it in advance, rather than a spontaneous expression of ill will on the part of the Peruvian populace, yesterday's attack on Vice President RICHARD NIXON in Lima, Peru, will create strong resentment in this country. Our people will especially resent the desecration of the American flag, which is inexcusable from any standpoint.

The State Department, noting the immediate apology of the Peruvian Government, is doing its best to minimize the danger done to our relations with Peru. Nevertheless, the American people are not likely to view the episode with the same calm that its victim displayed when stoned, spat upon, and jeered by an unruly mob of students of Red persuasion.

For the Vice President of a friendly power, engaged in a goodwill mission, to be subjected to the treatment that Mr. NIXON received is nothing short of outrageous. It is difficult to understand why the Peruvian police were unable to provide the personal protection to which Mr. NIXON, as a visiting dignitary in an atmosphere known to be infested by Communist troublemakers, was fully entitled.

The Vice President earned commendation for the way he handled himself in his trying ordeal. It is a tribute to his courage—though some may say it was foolhardy on his part—that he was willing to visit the famed San Marcos University and seek to address the students even though he knew beforehand that he was invading a Communist strong hold.

The people of the United States, happy that Vice President NIXON escaped unharmed, should take warning from this disgraceful episode. It shows clearly that the Communists are not losing any opportunity to stir up trouble between this country and its South American neighbors. There is much to be done if relations between the United States and the Latin American nations are to be brought to the point where there will be no more such unfortunate incidents as the deplorable attack on Vice President NIXON.

TRIBUTE TO PUBLIC SERVANTS RESPONSIBLE FOR ESTABLISHMENT OF AIRMAIL SERVICE

Mr. YARBOROUGH. Mr. President, I wish to address myself briefly to the fact that today is the 40th anniversary of the establishment of the airmail service, marking the first successful air flight in that service. On May 15, 1918, the first airmail was flown from Washington to New York.

After reading in the press notices with respect to ceremonies taking place here today in commemoration of the 40th anniversary of the first airmail flight, it seems to me that there are some facts connected with that epochal event regarding which a few additional words might appropriately be said.

I think it is remarkable—and we congratulate him for it—that Mr. Leon "Windy" Smith, who made the first flight 40 years ago in a little plane from Washington to New York, along a 218-mile route, is still living, and will fly a plane of the same type and model over the same route today. He had the unique privilege of pioneering in connection with one of the fastest means of communication known to man for the carrying of passengers or objects, as distinguished from the transmission of messages by electronics.

The news accounts indicate that various other pioneering pilots of World War I and the years immediately following are still active.

But behind the daring and skill of those fine young men who 40 years ago stepped into the cockpits of open-air planes to fly the mail without benefit of radio beams and scarcely any of the safety devices with which present-day planes are equipped; without benefit of weather forecasting service or air-ground communications service, with no radio air-to-ground telephone service, out in the open weather, not knowing what the weather would be—behind those daring young pilots was a great deal of long-range planning by many persons in the Government service who worked behind the scenes quietly at their desks, who perhaps were not publicized in the press to the same extent as were the daring pilots.

Among those behind the scenes were thoughtful and farseeing officials in the Post Office Department, who had worked for years, and who first conceived and planned the first airmail flight, and began the development of the great worldwide airmail service which we have at our command today.

Also we must not forget the Members of Congress who worked diligently to bring about such service.

I am proud of the fact that the Postmaster General at that time, under whose direction this special flight was planned, and under whose direction airmail service was inaugurated, was Albert Sidney Burleson, of my hometown of Austin, Tex.

The Second Assistant Postmaster General, who with his assistants in the Post Office Department, laid out the routes and the detailed schedules for this new airmail operation, and who had direct charge of the air mail flights, was Otto Praeger, of San Antonio, Tex. He was formerly a press correspondent in the Capitol.

Mr. Burleson, who inaugurated this service, was a truly illustrious son of Texas. He was born on June 17, 1863, of a noted Texas family, one of whose members had commanded a wing in Sam Houston's army at San Jacinto. Albert S. Burleson graduated from Baylor University in Waco, Tex., and from the law

school of the University of Texas in Austin. In 1885 he was admitted to the bar, and in that year he became assistant city attorney of my home town of Austin. Later he was elected district attorney, where his outstanding work brought him not only statewide but also nationwide attention.

In 1899 the people of the 10th Congressional District of Texas sent Albert S. Burleson to Congress. He represented the same district which our distinguished majority leader, LYNDON JOHNSON, once represented in the House of Representatives. Mr. Burleson was reelected every 2 years and served in the House of Representatives until 1913, when he resigned to accept Woodrow Wilson's appointment as Postmaster General of the United States. He was one of the Texas Immortal 40 who helped to secure the nomination of Woodrow Wilson for the Presidency. He served two terms in the Cabinet of President Wilson as Postmaster General.

I might say, parenthetically, that for my State it was no new experience to have a postmaster general in Government. Texas has furnished postmasters general to two other nations. Texas had its own postmaster general when Texas was a Republic. Texas also furnished the only postmaster general to serve the Confederacy during those difficult years.

John H. Reagan served well and successfully in performing that most difficult task that any Postmaster General in American history ever performed in heading the mail service of the Confederacy. Underground communications existed between the eastern and western halves of the Confederacy, after Vicksburg had fallen and the Confederacy had been cut in two, and the Postmaster General had the responsibility of keeping the two halves of the Confederacy in communication with each other. He succeeded at his task. The Postmaster General of the Confederacy even maintained communications between the Missouri troops in the field east of the Mississippi River and their families back home. There actually was mail service between the troops in the West and their families back home, after the Confederacy had been cut in two. So Albert Sidney Burleson brought to the Cabinet a great family and personal tradition of fearlessness, of inventiveness, of originality, and of dedicated public service. And he knew John H. Reagan personally, and came from a people and an area with a tradition of new and improvised postal service. Mr. Burleson was one of the few members of the Wilson Cabinet who remained with the great wartime President throughout the two full terms of his administration.

Toward the close of that administration, General Burleson had become a target of severe criticism by the press because of his forthright advocacy of withdrawing the second-class mailing privilege from the large advertisement-laden magazines, the handling of which at the extremely low second-class rates was creating a tremendous deficit in Post Office operating expenses each year, as it still is.

Despite this criticism, however, the many progressive measures and constructive achievements which marked his administration have made him one of the great Postmasters General of American history.

While we give a deserved salute to the young pilots who pioneered in flying airmail in the primitive planes of those early days, I wish also to pay tribute to these other men, and their associates, whose ability, progressive outlook, and careful planning made possible the inauguration of the airmail service, which we very appropriately commemorate today.

It will be recalled that in the early days sometimes the airmail pilots would be forced down by the weather. There was then no night flying. That was added later. There were no beacon lights and no signals and no radio communications. The pilots just took a chance. They would fly, and if they were forced down somewhere along the way, the trains would carry the mail from that point on across the country. Even so, a day's time was saved by the transcontinental airmail service in delivering a letter between New York and San Francisco.

In speaking of these early Americans, who pioneered the airmail service, I wish to mention the late Senator Morris Sheppard, of Texas, who was among the first to catch this vision. In fact, so far as the record shows, he was the very first, because while serving as a Member of the House from the First Texas District, in 1909, only a few years after the successful flights of the Wright brothers at Kitty Hawk, N. C., he introduced a bill to provide for a study of the possibility of using the newly invented flying machine as a carrier of mail. Nine years later he was privileged to see his vision become a reality.

In 1916 Congress made $50,000 available for the air service out of the steamboat or other power boat appropriation. Numerous experiments were being carried on in various States, from which much valuable experience and knowledge was being accumulated. Results of bids to carry mail by air over routes in Massachusetts and Alaska, in 1916, were disappointing because prospective bidders were unable to obtain suitable planes for the service.

Finally, in 1918, Congress appropriated $100,000 for the establishment of an experimental airmail route. The flight of May 15, 1918, whose 40th anniversary we are celebrating today, began the service which has, since its inception, logged millions of air miles, and carried an untold number of tons of airmail letters and packages throughout the entire world.

This statement is in tribute to the public servants who thought up the airmail service and pioneered it. Among them are pioneers like Senator Morris Sheppard, who introduced the first bill on the subject of airmail, in 1909; Postmaster General Albert S. Burleson; and the brave pilots who stepped into the open cockpits of those early crates to carry the airmail under the most hazardous conditions imaginable. In that way American pioneering has brought about the finest airmail service the human race has ever known, the United States airmail service.

THE FULBRIGHT EXCHANGE SCHOLARSHIP PROGRAM

Mr. O'MAHONEY. Mr. President, 12 years ago, in 1946, the Senator from Arkansas [Mr. FULBRIGHT], then a very junior Member of the Senate, introduced in the Senate a bill to provide for exchange scholarships between the United States and other countries. This turned out to be one of the most significant acts to promote good international relationships ever passed by Congress.

In the issue of May 10, 1958, of the New Yorker magazine there is an interesting article which I believe those who desire to pay tribute to the Senator from Arkansas, the author of the bill, would like to read in the RECORD.

I shall read only a few paragraphs from it, and then I shall ask unanimous consent that the entire article be printed in the CONGRESSIONAL RECORD. I read from page 3 of the May 10, 1958, issue of the New Yorker magazine, under the heading Senator FULBRIGHT:

SENATOR FULBRIGHT

Thanks to this country's establishment of a program of study-abroad scholarships provided by the Fulbright Act of 1946, the surname of its sponsor, Senator J. WILLIAM FULBRIGHT, of Arkansas, has become a household word, but we'd never laid eyes on its etymological source until the other afternoon, when we went up to the Museum of Contemporary Crafts to attend a preview of a Fulbright designers exhibition of applied arts. The arts had been applied by 33 recent Fulbright grantees, whose work was done in 8 foreign countries, and we found the Senator, who was accompanied by his wife, in a welter of tapestries, textiles, ceramics, silverware, glassware, and furniture, as well as photographers, reporters, and well-wishers. Presently, we were whisked with him to the upstairs office of Mrs. Vanderbilt Webb, president of the American Craftsmen's Council.

Judging by the results of the exchange of scholarships, the appropriations for this work have not always been as generous as they should have been. Certainly, in my opinion, not enough has been done with respect to Latin America. One of the reasons I have asked that the New Yorker article be printed in the RECORD is that I believe Senators and Members of the House can well give their close attention to the expansion of appropriations for this work, in order to promote better relationships between the United States and Latin America.

The absence of many Senators from the Chamber at this time is because many of them are participating in the welcome of the Vice President on his return to the United States from his goodwill tour of Latin America. I do not regard the events which transpired in Latin America during the visit of the Vice President as being in any sense an indication of Latin American hostility to the United States. The great mass of Latin Americans understand the United States, and they are ready to work with the United States. They have demonstrated that by their participation in common defense activities.

But a closer tie can be built if we pay attention to the great work which has already been accomplished under the Fulbright Act, and take the steps which are necessary to make it a special development in Latin American relations.

So I ask unanimous consent that the entire article may be printed in the RECORD.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. WILEY. Mr. President, I have listened with rapt attention to the remarks of the distinguished Senator from Wyoming. From my travels abroad and from talking with people in this country, I know something about the wonderful work which has been accomplished by the Fulbright scholarship program. I am very happy that the Senator from Wyoming paid high compliment to the Senator from Arkansas and to the program. I am also happy to agree with his sentiments concerning the South American countries.

If the Senator from Wyoming had heard the President today as he welcomed the Vice President at the airport, and had heard the Vice President's reply, I think he would agree that their thoughts coincided exactly with his own.

We all know that in this world of trouble there is working what might be called yeast of different kinds. There is a ferment in some countries, where some of the people are very, very rich, and some are very, very poor. The desire of the poor to achieve equality economically, politically, and socially is an honest desire. It is that spirit of which Jefferson spoke as being inherent in the human breast—the right of revolution against tyranny.

Then there is what we might call the effect of Communist propaganda. The young mind very often is upset by false ideas. Someone has said, "Beware of a man with an idea. He may turn the flank of history." I am satisfied that much of what has happened in South America recently in connection with the visit of the Vice President has been occasioned by young minds which are in ferment, so to speak; which have been impacted by a propaganda projectile of Communist making, and the Communists themselves are very much interested in seeing to it that the projectile is made more efficient.

While we are waiting for Senators to return to the Chamber I might relate an incident. Some years ago it was my privilege to be invited to a luncheon given by the distinguished senior Senator from Montana [Mr. MURRAY]. Among those present was a member of the British Parliament from London, who was, however, Irish by name.

Someone asked him—and the question illustrates the situation exactly—"Why is it that there is so much misunderstanding between the British and us?"

The Irishman, in good brogue, replied, "Now, I'm telling you, lad. You know, for 2 centuries we ran the show. Everywhere we went, human jealousy played a part, and we were not very highly regarded because we were running the show, and we were lambasted and abused.

"You Americans are now at the head of the list. You have the wealth. You have the position. You will have to take a little of that jealousy and lambasting. But the main thing that you want to know is that if the curtain goes up, 'we are with you'."

That exemplifies exactly what we are facing all over the world. We have been called the rich Uncle Sam.

Let us go back for a moment to the question of the college youth. The Committee on Foreign Relations was fortunate yesterday—although I cannot repeat his testimony—to have a member of the Government speak to us concerning what he knew about the international situation. The substance of his statement was that many youngsters in foreign lands are impacted by the old idea that the United States is the big imperlialist from the north; they have been led to misconceive what occurred at Little Rock, and other occurrences, with the result that they are open to Communist influence. The speaker at the committee hearing was asked whether he thought the modification of the tariff had much to do with the trouble. His answer was in the negative. The thought was, however, that in various places the so-called university students had been imposed upon mentally by wrong ideas, by propaganda, and by misconceptions about the United States.

Again, I may say that that viewpoint was confirmed largely, I believe, by the statement of the Vice President as he responded to the President today at the airport.

I say, with an earnestness that is very deep, that the people of Latin America and we of North America are in the same boat. We had better begin to understand each other. We had better begin to pull oars in the same direction, because our earth has become exceedingly small; and over yonder, in Russia, there is an ideology which has been very successful in taking one-sixth of the earth's surface and more than 500 million people into its orbit since the war ended. We are in a fight, as someone has said, for our very existence. So it is up to us of the two Americas, the North and the South, to have an understanding, so that there will be no opportunity for anyone to pry between us and divide us.

The old saying is, divide and conquer. That was the philosophy of Hitler, and it is now the philosophy of the Kremlin. It is for us now to study the situation, under the particular subcommittee which has been delegated to handle it, and reach an analysis which is based upon facts—yes, based upon talking to the youngsters themselves, if necessary, to find out how they reasoned themselves into such a mood to do what was done.

I thank the distinguished Senator from Wyoming for provoking these thoughts.

Mr. O'MAHONEY. Mr. President, I am very happy, indeed, that my few remarks in tribute to the Senator from Arkansas [Mr. FULBRIGHT] have brought forth the wise and pertinent comment of the able Senator from Wisconsin.

Mr. WILEY. Mr. President, will the Senator say that over again? [Laughter.]

Mr. O'MAHONEY. Mr. President, when I called attention to the article in the New Yorker, by reason of the events of the last few days, I asked unanimous consent that it be printed in the RECORD.

I now wish to make a new unanimous-consent request, because I believe the article should be printed in the body of the RECORD, together with the remarks of the Senator from Wisconsin. Therefore, Mr. President, I ask unanimous consent that the article which I presented—which was published in the New Yorker on May 10, 1958—be printed as a part of my remarks in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

SENATOR FULBRIGHT

Thanks to this country's establishment of a program of study-abroad scholarships provided by the Fulbright Act of 1946, the surname of its sponsor, Senator J. WILLIAM FULBRIGHT, of Arkansas, has become a household word, but we'd never laid eyes on its etymological source until the other afternoon, when we went up to the Museum of Contemporary Crafts to attend a preview of a Fulbright designers exhibition of applied arts. The arts had been applied by 33 recent Fulbright grantees, whose work was done in 8 foreign countries, and we found the Senator, who was accompanied by his wife, in a welter of tapestries, textiles, ceramics, silverware, glassware, and furniture, as well as photographers, reporters, and well-wishers. Presently, we were whisked with him to the upstairs office of Mrs. Vanderbilt Webb, president of the American Craftsmen's Council, which maintains the museum. While she graciously poured us drinks, we learned that Fulbright scholarships had been awarded to some 12,000 Americans, for study abroad; to 15,000 foreign students, from 31 countries, for study here; and to 4,000 other foreign students, for study in American institutions abroad. "The exchange program is the thing that reconciles me to all the difficulties of political life," the Senator said, in a rich southern tone. "It's the one activity that gives me some hope that the human race won't commit suicide, though I still wouldn't count on it. We've recently inaugurated a Latin American program. Funds for all these scholarships of ours will continue just as long as the American public supports them."

The sparkplug of this monumental cultural exchange is a strikingly handsome, cleanshaven, sunburned man of 53, with canny bright blue eyes and a cleft chin. He was born in Sumner, Mo., one of a family of 4 girls and 2 boys, and reared in Fayetteville, Ark., where his father was a small-business man. "Father had an interest in the local bank, the grocery store, and a bottling company," he said. "You have to have a lot of interests in a little town to make a living. He died when I was 18, and a junior at the University of Arkansas. My senior year, one of my professors said, 'Why don't you apply for a Rhodes scholarship?' and gave me the forms for an application. The Rhodes trust offered each State 2 scholarships every 3 years in those days, based on the applicant's undergraduate record—scholarship, athletics, and that vague thing called leadership. Well, I'd played football and tennis and I had a fair academic record, so I filled out the forms, and later I was asked to meet the judges in Little Rock. The next day, I was told I was in. That was the moment of elation, and wholly unexpected. It was quite an experience to go from the Ozarks to Oxford. I'd

never seen Washington or New York until I was on my way to England. I spent 3 years at Pembroke College, specializing in history. Six months a year, that is; the other 6 months you settle down and study somewhere in Europe—say, at a pension in Tours. You settle down and read. You do that more or less according to your disposition."

The Senator smiled at Mrs. Webb and us, sipped his Scotch and soda, and continued, "After I graduated, I settled down in Vienna for a while. The first time I saw a good opera was in Vienna. I don't profess to be sophisticated or knowledgeable about music, but I love it. I have a hi-fi in Washington. My wife and I gave up cards for hi-fi. I saw three operas this year, including Callas' 'Traviata' and 'Tosca.' Simply wonderful. It's a shame that there's no opera in Washington. I've sponsored a bill for an opera and ballet auditorium there, on a site opposite the Mellon Gallery. I have no talents at all, but I'm interested in those who do have some. I've met a number of our young students who have been in music. I sure have met a lot of Fulbright scholars. They all want to see me when they come to Washington, but I haven't time for them all; I have to be a Senator, too. This business the other day—this Moscow award to Van Cliburn, the young American pianist—it's fine. Even if the Russians were producing propaganda, the effect is good. It must make the people there realize that Americans do something besides manufacture nuclear bombs."

"My husband and I were at Oxford during the first year of our marriage, in 1912," Mrs. Webb said. "How did you like it there?"

"I loved it from the beginning," the Senator replied. "I was young, and vigorous physically, and I started playing games—rugger and tennis. I got on the teams. You know, if you play on an English university team they immediately ask you to join a literary society. I was asked to join the Johnson Society. Samuel Johnson. It soon became apparent that I would have to do something to justify the invitation, so I began to study literature, which I'd never done very much. I'm an honorary fellow of Pembroke—one of the very few American ones. I went back to Oxford in 1953 for the hundredth anniversary of Rhodes' birth. I wish I could take a sabbatical and teach there. I taught at George Washington University for a while and was president of the University of Arkansas."

"I saw the Moiseyev Dance Company, from Moscow, at the Metropolitan the other night," Mrs. Webb said. "It made one think better of the Russians. All those talented and attractive young women."

"Exactly," said the Senator. "Russia hasn't come under the Fulbright act yet, but eventually I hope there will be an exchange of scholars between the Soviet Union and ourselves. Communication through the arts can be good, and it can be bad. Some things give a bad picture of America to people in other countries. This exhibit gives a true picture of what America is like."

Mrs. Fulbright poked her head through the door and said, "The Chester Dales are downstairs to see you," and the Senator thanked Mrs. Webb and left.

Mr. FULBRIGHT. Mr. President, will the Senator from Wyoming yield to me?

The PRESIDING OFFICER (Mr. LAUSCHE in the chair). Does the Senator from Wyoming yield to the Senator from Arkansas?

Mr. O'MAHONEY. I yield.

Mr. FULBRIGHT. Mr. President, I regret that I was not in the Chamber a few minutes ago, to hear the remarks to which the Senator from Wyoming has referred. But the Senator from Wyoming spoke to me about the article which was published in the New Yorker magazine, and I appreciate very much the request he has made.

I should like to add, for the RECORD, I have done so on other occasions, but I state it again now, in order that the statement will appear in today's issue of the CONGRESSIONAL RECORD—that the bill referred to in the article could never have been enacted and the program under the bill could never have been put into effect except for the wisdom and the guidance the Senator from Wyoming gave to me and to other Senators in our efforts to have that bill enacted. At that time the Senator from Wyoming was chairman of the subcommittee to which the bill was referred, and before which the hearing on the bill was had and testimony on it was taken; and his subcommittee took testimony which was extremely effective, and included many suggestions. The Senator from Wyoming enabled me to get the bill passed by the Senate. I am sure that never would have occurred without the assistance which was given by the distinguished Senator from Wyoming. As a matter of fact, in connection with all matters of this kind, success is largely the result of the efforts of many persons.

Mr. O'MAHONEY. Mr. President, the Senator from Arkansas is very generous.

Mr. FULBRIGHT. But high among them is the Senator from Wyoming; and I wish to acknowledge that publicly, and to thank him on my own behalf. I believe I can speak in behalf of the approximately 33,000 professors, scholars, and students who have participated in the program, when I say that I know they appreciate the contributions the Senator from Wyoming has made to the enactment of this legislation.

Mr. O'MAHONEY. Mr. President, as I have said, the Senator from Arkansas is very generous. However, the bill would not have been passed if it had not been for the initiative, the wisdom, and the vision of the Senator from Arkansas [Mr. FULBRIGHT].

Mr. President, before the Senator from Arkansas came on the floor, I had stated that this program constitutes one of the most effective of all the international steps our Government has taken; and I expressed the hope that the Members of Congress in both Houses will give attention to the further development of this exchange of scholarships between the United States and the countries of Latin America. I believe it would be an excellent step now to promote what all of us want, namely, the unity of the freedom-loving peoples of the Western Hemisphere.

Mr. FULBRIGHT. Mr. President, if the Senator from Wyoming will yield further to me, let me say I certainly wish to endorse what he has said. I also desire to state, very briefly, for the information of the Senate, that under the authority of the same act, but by means of funds derived from the Public Law 480 program, some six agreements have been signed with six Latin American countries. However, we are greatly handicapped because of our inability to increase, even in a modest amount, the dollar appropriations to supplement those foreign currencies. The dollars are necessary for administrative purposes and to defray some of the expenses of the Latin Americans and others who come to the United States.

At the proper time, I intend to ask the Congress to increase the appropriated funds in a modest amount, in order to enable the program to be expanded to some extent in Latin America, particularly, and also in one or two other countries for which the funds have been exhausted.

So I am delighted that the Senator from Wyoming has called attention to the program. I hope we shall be able to persuade the Congress to vote a modest increase in the program.

I remind the Senate and the entire country that last year the House of Representatives cut the budget request of $30 million back to approximately $17,500,000; and a large part of the reduced amount was in the form of foreign currencies. In conference, we were able to have the reduced amount increased only to $20,800,000, and that was exclusive of some of the Public Law 480 funds. But the amount of the appropriation should have been $30 million, as the Bureau of the Budget recommended.

However, the House of Representatives has been extremely difficult to deal with, in connection with this program. I emphasize that that is not true in the case of the Senate, and I must say that I compliment the Senate for voting the full amount of the budget request.

Mr. O'MAHONEY. Mr. President, let me remind the Senator from Arkansas that this is the time to take action. The sooner the Bureau of the Budget is requested to make the recommendation, and the sooner the Appropriations Committees act on it, the better it will be for our relationships with the peoples of the Latin American countries and the promotion of the solidarity of free peoples throughout the world.

Mr. FULBRIGHT. Mr. President, for the RECORD, I wish to say that I did ask the Director of the Bureau of the Budget this year; but he refused to recommend the $30 million appropriation again, this year. His refusal was based on the theory that the House of Representatives would not allow that amount; and therefore he would not go along with our request.

Therefore, Mr. President, the only course left open to me is to offer an amendment, at the proper time, to increase the amount over the request the Bureau of the Budget has made this year, but not over the request made last year by the Bureau of the Budget.

This year there is a new Director of the Bureau of the Budget, and I do not know what his reaction will be.

Mr. O'MAHONEY. In the light of the welcome which was extended to the Vice President upon his return from Latin America, it appears to me that the executive branch of the Government may be able to persuade the Bureau of the Budget to send to the Congress a supplemental estimate.

Mr. FULBRIGHT. I appreciate that statement by the Senator from Wyoming.

Mr. President, I wish to say, on behalf of the Vice President, that he always has

been most favorably disposed toward this program. He has told me that many times in private; and he also made public statements to that effect, after his return from Africa; and I am sure he would also say that now.

Mr. JAVITS. Mr. President, I wish to identify myself with the sentiments which have been expressed today about the Fulbright scholarship program. I express the hope that the Senate will give attention to similar exchanges to countries behind the Iron Curtain. I think that is a rather important matter which is before the committee.

THOMAS L. STOKES, JR.

Mr. MONRONEY. Mr. President, on yesterday, in Emergency Hospital, one of the truly great newspapermen of our time, Thomas L. Stokes, Jr., passed away.

Tom Stokes was the winner of the Pulitzer prize and of other awards for outstanding journalism. His ability was extraordinary.

Now, in the traditional ending of newspaper stories, the numerals "30" have been written at the end of a brilliant, distinguished, and honorable career.

Mr. President, Tom Stokes exemplified the very best in the great line of tradition of newspapermen who believe that the powers of the press and the privileges of the Fourth Estate also carry the obligation of a great dedication to the public service.

I ask unanimous consent to have printed in the RECORD an editorial on Tom Stokes, which was published today in the Washington Evening Star; and also an editorial which was published in the Washington Daily News, the Scripps-Howard newspaper which he served so well for so long. I also ask unanimous consent to have printed at this point in the RECORD obituaries on Tom Stokes which were published in the Washington Post and Times Herald and the New York Times.

There being no objection, the editorials and articles were ordered to be printed in the RECORD, as follows:

[From the Washington Evening Star of May 15, 1958]

THOMAS L. STOKES

Tom Stokes came to Washington as a young man of 22 and went to work as a reporter for the United Press. One of his first assignments was to help cover the Knickerknocker Theater disaster. He went on from there to become a good interpreter of national news, an investigator and campaigner (in the course of which he won a Pulitzer prize) and, finally, a columnist.

It was our privilege to publish his column in the Star from 1949 until his last illness began a few weeks ago. A measure of the respect in which he was held may be found in the fact that news of his inability to continue writing prompted guest columns by many Capitol Hill and Cabinet notables.

Apart from his role as commentator on national and international events, Tom Stokes was a man with a keen sense of personal responsibility to this community. One evidence of this was his service with our Health and Welfare Council as an adviser in its public relations activities.

His was, indeed, a keen eye and a strong arm in Washington. We will miss him—as a fine newspaperman and as a good friend.

[From the Washington News of May 15, 1958]

TOM STOKES

Thomas L. Stokes won a Pulitzer prize and became a nationally famous columnist but we like to remember him as the serious-minded young reporter who moved up from Georgia to Washington 37 years ago and worked his way through the big stories of his time.

He had been desperately ill for months, prior to his death here in Washington yesterday. He had previously won the Raymond Clapper award for topflight reporting, and just recently was the only man ever to receive a special citation from the association which assigns these prizes.

"This citation," the association said, "is conferred upon him in order to encourage in all who share the responsibilities of his profession the same virtues of integrity, courage, and scholarship, the same eagerness and industry in the pursuit of truth, and the same qualities of thoughtfulness and modesty and kindness, all attributes which he and Raymond Clapper had in common."

The citation may now serve as a richly deserved epitaph.

[From the Washington Post and Times Herald of May 15, 1958]

THOMAS STOKES DEAD—POLITICAL REPORTER HERE

Thomas L. Stokes, Jr., Georgia-born newsman whose column appeared in the Evening Star and more than 100 other newspapers, died yesterday.

The newsman succumbed to a brain cancer at Washington Hospital Center.

Funeral services will be at 1 p. m. Friday at the Washington Cathedral and at 2 p. m. at Arlington Cemetery.

Paul Wooton, vice president, of the Gridiron Club, announced that the members of the club will attend the services in a body.

Mr. Stokes was a crack political reporter, a familiar figure in the National Capital since 1921 and he gathered in just about all the top honors in American journalism.

He won the Pulitzer prize for reporting in 1939, and the Raymond Clapper award in 1947.

In 1944, his colleagues and rivals in the Washington newspaper corps voted him the outstanding correspondent here measured in terms of reliability, fairness, and ability to analyze the news. This brought him the Saturday Review of Literature award.

On February 14, while Mr. Stokes was gravely ill in Emergency Hospital, the Raymond Clapper Memorial Association honored him with a special citation concluding with these words:

"This citation is conferred upon him in order to encourage in all who share in the responsibilities of his profession the same virtues of integrity, courage, and scholarship, the same eagerness and industry in the pursuit of truth, and the same qualities of thoughtfulness and modesty and kindness * * * all attributes which he and Raymond Clapper had in common."

PHI BETA KAPPA

Mr. Stokes was born November 1, 1898, in Atlanta, the son of Thomas Lunsford and Emma Layton Stokes. His father, of Scotch-Irish descent, was part-owner of an Atlanta department store. Both sides of the family had American roots that went back to Colonial days, and included men who fought in the Revolutionary War and in the Confederate Army in the Civil War.

Mr. Stokes attended Boys High School and the Peacock School, and then enrolled at the University of Georgia. He was graduated in 1920 with a bachelor of arts degree and a Phi Beta Kappa key.

Mr. Stokes had his first taste of journalism as a campus correspondent for the Atlanta Constitution and Atlanta Georgian (now defunct). He worked for about a year on Georgia newspapers in Savannah, Macon, and Athens.

LOVE AND HATE

Later, when a noted Washington correspondent, Tom Stokes was something of a puzzle to persons who knew he was from the South. He talked like a southerner, with a rich Atlanta accent, but he didn't seem to act like one or think like one. Sometimes, indeed, he gave the impression that he disliked the South—hated it, even.

The fact was that he loved and hated the South at the same time. In telling what he loved about it, he could become lyrical, and did in his autobiographical Chip Off My Shoulder (Princeton University Press, 1940).

"What else is this South?" he asked.

"It is April sunshine and the red breast of the robin. It is the bluejay calling from the distant pine tree as the clouds overhead tell of the coming rain. It is the lacy white of the dogwood across the hills and laurel along the mountain trails. It is slow red rivers wandering lazily in the sun. * * *

"It is a faded old gentleman who smells of whisky but has excellent manners. It is a delicate little old lady in a shawl dreaming of cotillions and big fans and punch bowls that sparkle and floors that shine and lanterns that bob in the gentle night breeze in the damp garden.

"It is a lovely dream."

Mr. Stokes probably began to hate the South—hate was his own word—when, as a cub reporter in Georgia, he covered the lynching of a Negro. For years afterward he was haunted by the mob's blood-thirsty passion, and by the doomed Negro's cries: "'Fore God I didn't do it. 'Fore God, I'm innocent."

DIXIE UNDER A CLOUD

It always seemed to him after this that "a dark and evil spirit" brooded over Dixie.

In September 1921, Mr. Stokes left home intending to get a job in New York. He never got that far. He stopped off in Washington for what he thought would be a few days. He got a job with the United Press and worked with Scripps-Howard organizations for the remainder of his life.

One of his first reportorial assignments for the UP was to poll Senators to see how they stood on the League of Nations, then a hot issue.

The tall young Georgian was assigned to the White House during the administration of Warren G. Harding.

Over the years, Mr. Stokes covered every national political convention from the Democratic marathon in Madison Square Garden in 1924 to the Republican conclave in San Francisco's Cow Palace in 1956. He traveled around and across the country on campaign trains until he knew virtually every city and town in the United States.

Mr. Stokes was unhappy when presidential candidates began to abandon the train for the airplane. He liked to get close to the people at the whistle stops, to hear the high-school bands whooping it up, and to watch proud fathers holding youngsters aloft, the better to see the candidate on the rear platform.

MENTOR WAS CLAPPER

On his way up in the newspaper profession, Mr. Stokes had the good fortune to work under Raymond Clapper, then chief of the Washington bureau of the United Press, who was killed while serving as a war correspondent in 1944. Mr. Stokes said that it was from Clapper that he "really learned all about politics and what makes it tick."

In 1933, Mr. Stokes left the UP to become Washington correspondent of the Scripps-Howard newspaper in New York, then the World-Telegram. As such he won the Pulitzer prize and $1,000 in 1939 showing how the Works Progress Administration in Kentucky was being used for political purposes. He was also with the World-Telegram when, in 1944, he was chosen in a poll as the top Washington correspondent.

Later in 1944, Mr. Stokes signed with the United Features Syndicate to write a 5-days-a-week column.

Mr. Stokes, who could pretty much make his own assignments, was a war corespondent in the European theater for a time.

TOPS IN HIS FIELD

But his speciality, his great love in the newspaper field, was political reporting. He was widely regarded as the top political writer in the United States. The New York Times, though rich in political reporters itself, often caled on Mr. Stokes to write for its Sunday magazine. He also wrote political pieces for the Nation, Look, and other periodicals.

When Russel Crouse and Howard Lindsay were writing their hit play, State of the Union, they asked Mr. Stokes to help them as a consultant.

Mr. Stokes wrote two books, Chip Off My Shoulder and The Savannah, a story of the river that runs through his native Georgia.

He was a member of the Gridiron Club (president in 1950), the National Press Club, Overseas Writers, Phi Beta Kappa Associates, and the Washington Golf and Country Club. He was a former chairman of the Standing Committee of Correspondents, which governs the Senate and House press galleries.

Stokes leaves his wife, the former Hannah Hunt, and their son, Thomas Lunsford (Chip) Stokes III, who live at the family home, 2019 Hillyer Place NW.

The following newspaper friends and associates will serve as pallbearers: J. R. Wiggins, Laurence Rutman, Peter Edson, Martin Codell, Charles Stevenson and Robert S. Allen.

[From the New York Times of May 15, 1958]

THOMAS L. STOKES, NEWSMAN, 59, DIES—COLUMNIST WHO WORKED IN CAPITAL 37 YEARS WON PULITZER PRIZE IN 1938

WASHINGTON, May 14.—Thomas L. Stokes Jr., a Washington columnist for United Features Syndicate since 1944, died here today of a brain tumor at the Washington Medical Center. He was 59 years old.

Mr. Stokes, a 1938 Pulitzer Prize winner, had had a long and distinguished career here as a press association reporter, newspaper correspondent and columnist.

Earlier this year he received a special citation from the Raymond Clapper Memorial Association for the unvarying high standards of his newspaper work. He had won the Raymond Clapper Award in 1947 for general excellence in Washington reporting and crusading.

Surviving are his widow, Hannah, and a son, Thomas Lunsford Stokes 3d.

HELD IN HIGH REGARD

Mr. Stokes, by a well-nigh universal opinion of his colleagues, including those who differed with him, was a reporter with a consistently good record for hard, intelligent and conscientious work. In the course of his career he had covered every beat in the Capital and had roamed throughout the country.

He was born in Atlanta on November 1, 1898, the son of Thomas Lunsford Stokes and the former Emma Layton. His father was part owner of a department store. On both sides he was descended from colonial families.

Working his way through the University of Georgia, Mr. Stokes was a library news correspondent for the Atlanta Constitution and the old Georgian. He graduated with a bachelor's degree in 1920 after 3 years' study, winning a Phi Beta Kappa key.

For a year, Mr. Stokes worked on three Georgia newspapers, the Savannah Press, the Macon News and the Athens Herald. Then he borrowed $200 from his father to try to break into the New York press. He got no farther north than Washington. There, at the United Press, he found a job taking dictation over the telephone from reporters.

Soon he became a reporter himself and covered, in succession, Congress, various Government departments and the White House, as well as the Presidential campaigns of 1924, 1928, and 1932. He also served as a copy editor.

DISILLUSIONED WITH GOP

A liberal, disillusioned with Republican conservatives, Mr. Stokes greeted the Franklin D. Roosevelt era with enthusiasm. His dispatches caught and communicated the early spirit of the New Deal, particularly of the first "hundred days" of national unity in 1933. This won for him appointment in August of that year as Washington correspondent of the New York World-Telegram, a key paper of the Scripps-Howard chain.

Mr. Stokes came to look more soberly at the New Deal, partly as a result of his own investigations that showed that its idols had feet of clay. He was advanced in 1936 to Washington correspondent of the Scripps-Howard Newspaper Alliance, reporting general politics, the national conventions and the Presidential campaigns.

One of his investigations won him the Pulitzer Prize for "the most distinguished reporting" of 1938. At the suggestion of an editor, he was sent into Kentucky to inquire into reports that the Works Progress Administration, a New Deal agency to provide work relief for the unemployed, had been turned by politicians into a vote-getting machine.

Mr. Stokes traveled 1,400 miles, interviewing dozens of officials, politicians and relief workers. He piled up affidavits to support a conclusion that WPA in Kentucky was "a grand political racket in which the taxpayer is the victim." He reported his findings in a series that ran 10,000 words.

WON LARGE FOLLOWING

This type of reporting won him a large following of readers and a growing appreciation among his colleagues. In 1944 The Saturday Review of Literature polled 160 Washington correspondents on, among other things, "The Washington correspondent who does the best all-round job as measured in terms of reliability, fairness, ability to analyze the news."

Mr. Stokes received the largest number of votes, 25, and Marquis Childs, another newspaperman, had 23. All the others received eight or less.

After his association with Scripps-Howard, Mr. Stokes shifted to the United Features Syndicate as a columnist in December 1944. In a few years more than 100 newspapers were taking his column.

In 1947 Mr. Stokes began a feud with Scripps-Howard that lost him a dozen of his clients. At his expressed desire, some dropped the column. The World-Telegram and Sun was his outlet in New York until a few years ago, when The Post acquired the rights. Mr. Stokes won the Page One Award for Journalism of the Newspaper Guild of New York in 1949.

His autobiography, "Chip Off My Shoulder," was published in 1940. "The Savannah," study of the Savannah River as the heartstream of the old South, appeared in 1951. Mr. Stokes was an occasional contributor to The New York Times Book Review and other periodicals.

Mr. NEUBERGER. Mr. President, will the Senator yield?

Mr. MONRONEY. I am happy to yield to the Senator from Oregon.

Mr. NEUBERGER. I should like to join in the tribute which the able Senator from Oklahoma has paid to one of the great journalist of our times. Tom Stokes was a man who never pulled any punches, who never equivocated, who always told the truth. While he made many forceful points, he never indulged in personal abuse or character assassination.

His passing is a loss not only to the fourth estate, but to the Nation.

I think the best and the most lasting tribute which those of us in the Senate, who were his personal friends, could pay to Tom Stokes would be to work harder than ever to provide adequate funds to the National Cancer Institute, so that some day mankind can solve the problems for curing or preventing the terrible disease which cut down Tom Stokes in the prime of his life, before his career should have ended.

I commend the Senator from Oklahoma for calling to the attention of the Senate the untimely passing of this distinguished journalist.

Mr. MONRONEY. I thank the Senator from Oregon. Tom Stokes was a legman. In newspaper parlance that means a reporter who goes forth and finds out where the news is, and verifies the facts of his own knowledge, and then records them in his story.

Mr. President, I ask unanimous consent that there may be printed in the RECORD, the statement I made on February 19, 1958, on the occasion of the awarding to Tom Stokes of the Raymond Clapper award for outstanding journalistic services.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Tom Stokes, who writes a column for the Evening Star and more than 100 other papers throughout the country, has been cited for a unique award. This latest recognition of one of our finest newspapermen is not being given him for one stroke of genius, or even for that lucky break plus competency which often brings awards. Neither does it honor him for a year of day-in-day-out meritorious journalism, as did the annual Raymond Clapper award which he won in 1947. This latest Clapper award to Thomas Lunsford Stokes II is for a career of unvarying high standards—37 years of it covering the complex and changing Washington scene, as a press association reporter, a Washington correspondent, and a daily columnist.

Recently, in the Senate, we have been taking a fresh look at our national capacity to wage war if we are attacked and to wage peace that there may be no more war. We have looked at our accomplishments and shortcomings in the ballistic missile field. We are beginning to search for the opportunities afforded us by the challenge of outer space. We are taking inventory of our educational system and studying the extent to which it prepares all our youth for good citizenship, useful living, and wise decision making, while training the most talented to render the greatest service of which they are capable. We are looking hard at our diplomacy to assess the handling of our stewardship as a great world power.

I am convinced that we must have great scientists to play our role well, and also great statesmen, diplomatists, philosophers, and teachers—yes, and great newspapermen. The talents and the integrity of the men and

women who report and discuss for us events as they happen, in our newspapers and magazines, on radio and television, play a vital role in molding the public opinion which in a democracy decides all other questions.

I differ in opinion with Tom Stokes on many matters. He is a crusading liberal. I have enough of both the liberal and the conservative in me that I fit neither category. Yet I recognize that his unvarying high standards place him in the vanguard of the type of able, high-principled newsmen we need as our Nation faces the dangers of trial by power.

The Clapper committee mentions several of the reasons why—his integrity, courage and scholarship, his eagerness and industry in the pursuit of truth, his thoughtfulness and modesty, and kindness.

In a little more detail, we can note that his courage and integrity have made it possible for Tom, from a prosperous Georgia family, with an Atlanta prep school and University of Georgia education, to fight the battle for the Negro's civil rights with a vigor and an understanding that no northerner could surpass; and to espouse the needs of the common man with a steadiness that few common men could muster.

His honesty and reliability, coupled with his charm and modesty, and sometimes the twinkle in his eyes, have won him news sources among the great and small here in the Capital. These must have been important to his employers on the United Press and Scripps-Howard newspapers as he advanced as a reporter. Just as his news sources learned that he handles the truth with respect and with intelligence, so his readers learned it as he began in 1944 to write his present nationally-syndicated column for United Features.

Tom Stokes has the ability to be fierce in his beliefs without rancor or meanness for those with whom he disagrees. As a result, editors with diametrically opposed views are able to print his column, and readers with differing convictions to read it, even during such heated periods as national election years.

I understand that Tom is dangerously ill in Emergency Hospital just now. It must be difficult for him to be ill, because among his outstanding characteristics is industry. He made Phi Beta Kappa in college, won a Pulitzer prize back in 1938, wrote Chip Off My Shoulder in 1940 and The Savannah for the Rivers of America series in 1951. In addition to writing his column, traveling with the news and playing his gridiron parts with great gusto upon occasion, in recent years he has been giving a weekly review of the news at St. Alban's School. His son, Thomas L. Stokes III, better known as Chip, is a senior there this year. A daughter, Layton, died as a small child of spinal meningitis. Tom also has found time to be a gallant husband to his charming wife, the former Hannah Hunt, whom he married in 1924.

ORDER TO PROCEED TO CONSIDERATION OF S. 1356, THE UNFINISHED BUSINESS, AT CONCLUSION OF MORNING BUSINESS

Mr. O'MAHONEY. Mr. President, I move that at the conclusion of the morning business the Senate proceed to the consideration of the unfinished business, which is S. 1356, the meat and meat products bill.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Wyoming that Senate bill 1356 be considered after the morning business is concluded.

The motion was agreed to.

THE DANGERS INHERENT IN CONGRESSIONAL DENIAL OF ACCESS TO THE SUPREME COURT

Mr. JAVITS. Mr. President, I make these remarks with respect to Senate Joint Resolution 169, proposing a constitutional amendment to the judiciary clause of the Constitution to vest in the Supreme Court of the United States appellate jurisdiction over all cases arising under the Constitution, both on questions of law and fact, and to the measure known as the Jenner-Butler bill, S. 2646, ordered reported by the Judiciary Committee.

In that connection, Mr. President, it is most illuminating to note that the president of the American Bar Association, Mr. Charles S. Rhyne, of Washington, D. C., in an address delivered before the Washington County Bar Association at a dinner in honor of retired Chief Judge George Henderson, of Maryland, had the following to say:

> The American Bar Association, acting through its House of Delegates which represents 200,000 lawyers, has voted to oppose the curbs on the jurisdiction of the Supreme Court of the United States set out in the bill proposed by Senator JENNER. The association intends to fight these proposals with every resource at its command. Tonight I want to explain why I believe the association voted opposition to this bill.

Subsequently Mr. Rhyne said:

> I therefore tonight issue a call to the lawyers of America to take the American Bar Association's position on this great issue to the people. Once the people understand the issue, I am certain there will be a tremendous public reaction against curbing the jurisdiction of the Supreme Court.

To all this I say "aye," for what is suggested is essential and necessary to the integrity of the functioning of our constitutional form of government.

Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks the splendid address delivered by President Rhyne, entitled "The Dangers Inherent in Congressional Denial of Access to the Supreme Court."

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE DANGERS INHERENT IN CONGRESSIONAL DENIAL OF ACCESS TO THE SUPREME COURT

Address by Charles S. Rhyne, Washington, D. C., president, American Bar Association, before the Washington County Bar Association, at a dinner in honor of retired Chief Judge George Henderson, Hotel Alexander, Hagerstown, Md., May 6, 1958

It is always a great pleasure to address a meeting of so many close friends and acquaintances. I am particularly pleased to have this opportunity and privilege to join you in paying tribute to one whose lifetime record of accomplishments and activities is known and respected by lawyers and laymen alike throughout this entire section of the country. Retired Chief Judge George Henderson has carved himself a special niche in this State and in the hearts of its people as a devoted public servant, a great jurist, an outstanding practicing attorney and an unyielding advocate for the cause of justice. The honor we pay him tonight is well earned and well deserved.

Judge Henderson has had a dual career, the law and the military. And as with every endeavor he has attempted, he attained outstanding distinction in both fields. In addition to his crowded schedule of professional service, he has never failed to devote large portions of his time as a volunteer worker for the good of his community. He was one of the organizers of the Cumberland Community Chest, was for some years chairman of the city recreation board, served as a vestryman of the Episcopal Church, took a leading part in Boy Scout work, and has taken an active part in politics, an area where all too many of us fail to play the active role which is the responsibility of every American citizen. Truly the contributions of this man merit a hearty vote of thanks from us all. I am proud to speak in praise of his great lifetime record of service on behalf of the legal profession of America. Never has any man deserved praise more. He has truly earned the high esteem in which he is held not only by the legal profession but by the public he has served in such an outstanding manner for so many years.

We are here tonight principally to pay tribute to the proud record of an outstanding public servant and a great jurist. It seems, therefore, to be a particularly opportune time to speak of the duty of the legal profession to defend our courts as an institution of government against unjust and unreasonable attacks. These attacks have gone now to the extreme extent of approval by the Senate Judiciary Committee, over the opposition of the American Bar Association, of a bill to curb in part the jurisdiction of the Supreme Court of the United States. This proposed denial of access to our highest court is a serious and important matter which all Americans must understand and it is we of the legal profession who are best qualified to explain the issues involved.

Our system of government is no stronger than our courts. And our courts are no stronger than the strength of the public's confidence in them. The ever-rising tide of criticism of judges and our courts makes this a most appropriate time to remind lawyers of their duty to uphold public esteem for our judiciary so as to maintain public confidence in our courts as an institution of government. Some of this current criticism is of such character as to lead to disrespect and loss of confidence in all law, all courts and all lawyers.

The preamble to the canons of professional ethics as promulgated by the American Bar Association provides:

"In America, where the stability of courts and of all departments of government rests upon the approval of the people, it is peculiarly essential that the system of establishing and dispensing justice be developed to a high point of efficiency and so maintained that the public shall have absolute confidence in the integrity and impartiality of its administration."

Our Government was established with three separate branches specifically to create a balance of power. The checks which each of these branches has on the others are our best insurance that the absolute power necessary to form a tyranny will never vest in any one branch. If the American public loses its respect for our courts, one-third of our governmental system of checks and balances will be gone. This is axiomatic, for no organ has power absent either respect or fear; and fear has never been an arm of democracy. If one of our three branches of Government may be destroyed, none are safe. Unless our court system can maintain its position of dignity and respect in the eyes of our public, the foundation of our way of life is in danger.

I am not objecting to criticism of individual decisions. There is certainly nothing wrong with criticism of judicial decisions. Many great advances in our jurisprudence have stemmed from the reasoned criticism

of judicial decisions by lawyers and scholars. Defense of our judiciary must not and should not interfere with or impair the right of any man to express reasoned criticism of any decision of any court he believes to be erroneous. I do object—and I think all lawyers should object—to denunciation of courts and vilification of judges. I also object—as I think all lawyers should—to the less blatant attacks on courts, such as legislative attempts to punish judges for particular decisions by whittling away jurisdiction of the courts.

I have particular reference to the Supreme Court of the United States and to the recent action by the Senate Judiciary Committee reporting favorably a bill to limit its appellate jurisdiction.

The American Bar Association, acting through its house of delegates which represents 200,000 lawyers, has voted to oppose the curbs on the jurisdiction of the Supreme Court of the United States set out in the bill proposed by Senator JENNER. The association intends to fight these proposals with every resource at its command. Tonight I want to explain why I believe the association voted opposition to this bill.

This bill limiting jurisdiction of the Supreme Court of the United States is unwise and unsound. And the Senate Judiciary Committee's recent action in approving one of the five proposed jurisdictional curbs of the Jenner bill is regrettable. The curb approved by the committee removes jurisdiction in cases involving admission to the bar by the States, an area where obviously most lawyers would agree that jurisdiction should not exist except under most extreme and unusual circumstances. I do not here consider the other parts of that bill as reported and which are aimed at repealing specific Supreme Court decisions as the American Bar Association has not studied or acted upon those new proposals. But whether it is one or five curbs on the jurisdiction of the Court and regardless of the merits of the decision at which the curb is aimed, the principle is the same. The thrust of my position is that the American Bar Association was correct in opposing all such curbs regardless of the merits or demerits of particular decisions to which those curbs are directed.

Our system of separation of judicial, executive and legislative powers, to which I have already adverted, was purposely designed to insure an independent judiciary removed from public popularity polls and pressures. Any tampering with or denial of access to the jurisdiction of the Supreme Court because of current clamor against some of its decisions destroys that basic principle upon which the adequate working of our governmental system depends. I consider it the serious responsibility of every lawyer, indeed, every American citizen, to speak out and to exert every possible effort to defeat any attack, legislative or otherwise, which tends to lessen this vital independence of our judiciary.

The American Bar Association's resolution reserved our right to criticize any decision of any court—including the Supreme Court—thought to be erroneous. And criticism as such is not to be discouraged as it is commonplace that Supreme Court decisions are often severely criticized by dissenting Justices of that Court. But vigorous constructive criticism is a vastly different thing from the Jenner proposals.

This is not the first time proposals to curb the Supreme Court have emanated due to dissatisfaction by some with its decisions. There have been many such proposals down through history. And the currently attacked decisions are not the only controversial decisions ever handed down by that Court. In the past the legal profession has risen to defend the Court as it does now. The Court speaks only through its decisions and under its traditional customs cannot speak in its own defense. Defense of the Court is therefore the organized bar's duty and responsibility. To the credit of the bar we have never failed that duty nor shirked our responsibility.

In 1911 the American Bar Association fought a great national battle against recall of State court judges under circumstances remarkably like those at present due to attacks upon certain court decisions. In 1937 the association battled against President Franklin D. Roosevelt's proposal to pack the Supreme Court of the United States because he disliked its decisions. Our effort to defeat the Jenner bill will not be less than these past fights. The danger to the freedoms of our people from the Jenner bill is just as great as the dangers inherent in these past proposals.

All of us are somewhat familiar with the history of the Supreme Court of the United States. In its decisions one can trace most of the significant social, political, and economic trends and developments of our Nation. The Court began its role as a resolver of great national issues in the classic case of *Marbury* v. *Madison*. The majority opinion by Mr. Chief Justice John Marshall stated that conflict between a Federal statute and our Constitution must be resolved in favor of the Constitution, the supreme law of the land. Although this declaration was actually mere dictum, it was widely accepted as controlling on the power of the Court to rule on the validity of Federal statutes.

Opponents lashed out at the language of the opinion. Many eminent men, among them President Jefferson, were extremely critical. They took the position that each branch of the Government had the exclusive power to pass on its own authority. Rational grounds were advanced for this argument. Certainly many persons must have considered the decision that the judiciary could overrule the legislature to be a violent misuse of judiciary authority. Yet, now we look upon *Marbury* v. *Madison* as the very cornerstone of constitutional law. The gross usurpation of 1803 is the genius of John Marshall today.

McCulloch v. *Maryland* introduced a line of decisions in which the Court established the supremacy of the Federal Government in certain areas of power. Each infringement of States activity and each addition to Federal powers brought forth a new barrage of criticism. So vehement and bitter were the feelings that several plans were suggested to limit or transfer the appellate jurisdiction of the Court. A number of eminent persons, including Senators and Representatives, joined in this crusade; but, fortunately, wiser heads prevailed.

Our independent judiciary is the envy of other peoples throughout the whole world. As we gear up our defense to fight the ever-mounting propaganda assaults of the Kremlin it is hardly conducive to our campaign to sell our system as the earth's greatest if we are to destroy that basic and most essential insurance of liberty of the individual in our country—our independent judiciary. We need to modernize outmoded processes and procedures in our judiciary, and we desperately need more judges to meet the needs of our ever-growing population by eliminating such things as unfortunate delays in trials. But it is more, not less, use of the judiciary which America needs today. Tampering with and curtailing court jurisdiction is alien to this need.

Disagreement with a judicial decision is no more reason to abolish jurisdiction to decide such a case than disagreement with decisions of a baseball umpire at home plate is reason to eliminate home plate umpires. Without umpires at home plate a baseball game would be confusion compounded. And confusion compounded would surely be the result if the umpire at the zenith of our judicial system is eliminated in certain cases as the Jenner bill proposes.

In every court case—as in every baseball game—there is always a loser. For that reason alone popularity cannot be a true test of the value of the decisionmaking mechanism. Disagreement and disappointment by one-half the litigants is almost inherent in the system. But without the decisionmaking mechanism of the umpire baseball cannot function, and without the decisionmaking mechanism of the courts as an ultimate resolver of all justiciable conflicts our system of government cannot function, and our world-renowned individual rights would become worthless.

As a matter of principle Congress should not sit as a court of review over the Supreme Court or any other court. That Congress may or may not have the constitutional power to adopt this legislation curbing the Supreme Court's jurisdiction is beside the point. The existence of the power is no proof that its exercise is wise. It is to the policy of the Jenner bill rather than to the power of Congress that the American Bar Association has directed its opposition and to which I direct mine tonight. If Congress becomes a super-supreme court, or denies access to the Court to our people, the Congress will thereby have destroyed the governmental system of checks and balances inherent in our form of government. Such action would do violence to its separation of powers doctrine which has been historically maintained so that absolute power to create a dictatorship cannot vest in any one branch of our government. Congress in its quest for a method of changing judicial decisions must not usurp to itself the judicial power.

Only once in 169 years has Congress denied access to the courts. Such a record speaks well for the position of opposition of the American Bar Association to the Jenner bill.

The governmental institution of courts to decide disputes between man and man, and government and man, is sound. This is true despite a few, or even many, decisions with which I or any other lawyer or layman may disagree. Independence connotes power to be wrong as well as right. As already noted disagreement is inherent in an independent judiciary deciding as it must against one-half of all litigants. But attempts to weaken or to limit the effective functioning of the institution of the courts are not in keeping with the basic principles upon which our system of government is founded. I feel certain that the Senate and the House of Representatives will, upon further study and thought, reject all parts of the Jenner bill which deny access to the Supreme Court.

It is well to recall Abraham Lincoln's reaction to the famous Supreme Court decision returning Dred Scott to slavery—certainly as controversial as any decision of our day. In rejecting proposals to curb the jurisdiction of the Supreme Court even though he vigorously dissented from, and severely criticized, that decision, Lincoln said: "We know the Court that made it has often overruled its own decisions and we shall do what we can to have it overrule this. We offer no resistance to it."

This was the position of a man willing to shelve his own personal disappointment rather than lead an attack on the Court's jurisdiction, which proposed jurisdictional curb he characterized as an attack against our whole Republican system of government—a blow which, if successful, would place all our rights and liberties at the mercy of passing anarchy and violence.

The mistake inherent in the court-curbing legislation proposed by Senator JENNER lies in failure to distinguish between decisions and the mechanism of decision. The mechanism is indeed sound and must not be partly chopped up and partly destroyed because of the failure of that mechanism to

always provide decisions with which all agree 100 percent. One hundred percent agreement is impossible in a society operated by humans. Abraham Lincoln and the American Bar Association are right in defending the mechanism of the institution of the Supreme Court of the United States and in urging that this mechanism remain unfettered by Congressional restraints. History, reason, and necessity dictate that conclusion as best for our country. Denial to our people of access to that Court—the ultimate bulwark of our liberties—is a peril to the constitutional rights of every American and must be defeated.

Canon No. 1 of the American Bar Association's Canons of Professional Ethics provides in part:

"It is the duty of the lawyer to maintain toward the courts a respectful attitude, not for the sake of the temporary incumbent of the judicial office, but for the maintenance of its supreme importance. Judges, not being wholly free to defend themselves, are peculiarly entitled to receive the support of the bar against unjust criticism and clamor."

Judges of our courts speak publicly only in the discharge of their judicial function. They must bear criticism, even irresponsible and vicious criticism, in silence. These men have given up the right to criticize in order that the rest of us might be secure in that right. But we of the bar have no such restraint upon us. It is, therefore, up to us, the members of the bar, to speak up in defense of our courts as an institution of government. Our duty is to assume leadership here and see to it that our people have the correct facts and a proper appreciation of the place of the courts in our system of government. We cannot be content merely to note the comforting fact that an institution which has survived the petulance and displeasure of a Jefferson, a Jackson, and two Roosevelts—to say nothing of the tirades of lesser men—almost certainly has the strength and vitality to survive present attacks. The bar has its own obligations to discharge, and it is important to all of us that we not fail in those obligations.

I therefore tonight issue a call to the lawyers of America to take the American Bar Association's position on this great issue to the people. Once the people understand the issue, I am certain there will be a tremendous public reaction against curbing the jurisdiction of the Supreme Court. It is not my purpose either to defend or to criticize any particular decision of any court. The basic point is that we of the bar have a duty and a responsibility to perform in maintaining the confidence of the public in our courts. Such confidence is the foundation of our whole system of government, and we must never allow it to be impaired or destroyed. We as a people may talk loud and strong of rights and liberties, but rights are as nothing without a redress and protection in the courts. Chief Justice Marshall so truly said:

"The judicial department comes home in its effects to every man's fireside, it passes upon his property, his reputation, his life, his all."

Recall also that the preamble to our Constitution recites that one of the purposes for which our Nation was created was to "establish justice." Certain it is that the judiciary as one of the three great branches of our Government has always played a basic role in the lives of our people. Our people have a right to justice, soundly and properly administered. And we of the bar have a duty to make the people secure in their rights. We perform that duty by defending the courts against unjust attacks.

Do not forget, either, that the prestige of the bar depends in large part upon public confidence in and esteem for the courts as an institution of government. When we are guilty of irresponsible criticism of judges of the type herein condemned we are striking a body blow at our standing in the estimation of the public. We are in effect "fouling our own nest."

As lawyers and officers of the court, we, of all Americans, are best able to appreciate our priceless heritage of freedom under law. In our daily life we see the great principles of democracy applied by our court system. We tend to take them for granted. But whenever we stop and think, we must recognize that none of our priceless freedoms—speech, religion, press, even criticism of Government—would be safe without the final safeguard of the courts. Our whole future as a Nation, and as a people, depends upon the maintenance of our independent judiciary to preserve the rights of our people.

It is well to stress again that our court system is not above censure. No organ of government is. None of our institutions are perfect. As. Mr. Justice David Brewer, of the Supreme Court, said in 1898:

"It is a mistake to suppose that the Supreme Court is either honored or helped by being spoken of as beyond criticism."

But there is a vast difference between criticism stemming from constructive analysis of particular decisions and the uninformed, misleading statements and insults which are sometimes being hurled currently. As President Lincoln suggested, time spent in ranting and raving would be better used working to establish the fallacy of the unpopular holding. But no degree of disagreement justifies degrading the foremost protection of our finest heritage—freedom under law—a protection only the courts can guarantee.

Our American people have traditionally been ready to respect their courts and to look to them as the ultimate guardians of the liberties of our people. "Justice," as Daniel Webster said, "* * * is the greatest interest of man on earth. It is the ligament which holds civilized nations together. Wherever her temple stands, and so long as it is duly honored, there is a foundation for social security, general happiness, and the improvement and progress of our race."

To insure justice in our land, we lawyers must do all in our power to preserve the respect of the public for our courts. We are dually obligated as dedicated servants of the public and as officers of the courts to speak forth on every occasion to maintain confidence in our courts.

The stake of the public at large in this matter is tremendous. A respected and strong judiciary and a respected and strong bar are essential to maintain our system of freedom under law. Maintenance of that freedom is essential to the continued liberty of our people and the continued liberty of our people is essential to the future of free peoples everywhere.

Mr. JAVITS. Mr. President, I also ask unanimous consent to have printed in the RECORD in connection with my remarks the support, evidenced by a telegram from Richard W. Hogue, chairman of the Committee on Federal Legislation of the Association of the Bar of the City of New York, of the resolution to which I have referred, Senate Joint Resolution 169, which I have sponsored together with other Senators.

I am grateful for this support from so distinguished a bar association as my own in New York City, which has constantly led the fight for the integrity of the Government and for giving justice to all people in their individual capacity, and which has shown a rare skill in balancing individual rights under our Constitution as against our national security, always with both coming out protected and safeguarded, as we are well able to do, under the dominion of law, if we put our minds to it.

There being no objection, the telegram was ordered to be printed in the RECORD, as follows:

NEW YORK, N. Y., *May 12, 1958.*

Hon. JACOB K. JAVITS,
Senate Office Building,
Washington, D. C.:

The committee on Federal legislation of the Association of the Bar of the City of New York has considered and supports your proposed amendment to the judiciary clause of the Constitution (S. J. Res. 169) which is intended to vest in the Supreme Court of the United States appellate jurisdiction over all cases arising under the Constitution and, in effect, to transfer the power to make exceptions thereto from Congress to the people by constitutional amendment. This proposal is identical to that approved and backed by our association in 1947. Such jurisdiction has been exercised by the Court since the first judiciary act. History indicates that Congress has exercised power to make exceptions to the Court's jurisdiction only once and then with unfortunate results. The Court is the body to which is entrusted the duty of expounding and interpreting the Constitution; it has traditionally been the defender of constitutional rights, privileges, and liberties from arbitrary action. The tripartite division of power is basic to our system of government. The independence of the Supreme Court should be preserved and its judicial function protected from invasion by legislative action. For this reason we opposed the Jenner bill (S. 2646) and still oppose the remnant of that bill relating to admission to the practice of law in the States. For this and other reasons expressed in communications to Senator HENNINGS the committee is also opposed to the Butler amendments to the Jenner bill.

RICHARD W. HOGUE, Jr.,
Chairman, Committee on Federal Legislation.

Mr. JAVITS. Mr. President, I also ask unanimous consent to have printed in the RECORD as a part of my remarks the resolution adopted by the American Bar Association opposing S. 2646, the Jenner-Butler bill.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

RESOLUTION OF AMERICAN BAR ASSOCIATION OPPOSING S. 2646 (JENNER-BUTLER BILL)

Resolution unanimously passed by the house of delegates of the American Bar Association at the 1958 meeting in Atlanta, Ga., on February 24–25:

"Whereas in 1949 the American Bar Association adopted a resolution urging the Congress to submit to the electorate an amendment to the Constitution of the United States to provide that the Supreme Court of the United States shall have appellate jurisdiction in all matters arising under the Constitution; and

"Whereas S. 2646 now pending before the Congress if enacted would forbid the Supreme Court from assuming appellate jurisdiction in certain matters contrary to the action heretofore taken by this association and contrary to the maintenance of the balance of powers set up in the Constitution between the executive, legislative, and judicial branches of our Government: Now, therefore, be it

"*Resolved*, That reserving our right to criticize decisions of any court in any case and without approving any decisions of the Supreme Court of the United States, the American Bar Association opposes the enactment of S. 2646 which would limit the appellate jurisdiction of the Supreme Court of the United States."

THE FIGHT AGAINST BRUCELLOSIS

Mr. THYE. Mr. President, there recently appeared in the Minneapolis Star an article explaining the work being done in the fight against brucellosis at the WHO Brucellosis Center at the University of Minnesota. The work being done at this center, headed by Dr. Wesley W. Spink, is significant, not only in the brucellosis control program in Minnesota, but in its contribution to health protection throughout the world. I ask unanimous consent, Mr. President, that the Minneapolis Star article be printed in the RECORD at this point in my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNIVERSITY SPEARHEADS GLOBAL FIGHT ON BRUCELLOSIS

(By Bob Murphy)

The most direct single connection, probably, between World Health Organization, which holds its 11th annual assembly in Minneapolis opening May 26, and Minneapolis itself is in the WHO Brucellosis Center at the University of Minnesota, headed by Dr. Wesley W. Spink.

Brucellosis is one of the zoonoses, diseases transmitted by animals to man. It gets its name from the bacteria brucella, discovered by David Bruce, a British army surgeon later knighted. In cattle, it is known as Bang's disease, or contagious abortion. In humans it is known as undulant fever.

Spink is Chairman of the WHO expert Committee on Brucellosis, and met with it last fall in Lima, Peru. He asked WHO representatives what they considered the No. 1 human disease contracted from animals.

They answered that from the emotional standpoint, rabies stood out—but in numbers and effect on economy, brucellosis was more important.

WHO early in the fifties set up brucellosis centers around the world to exchange information on international developments in diagnosis, treatment, and research in the brucellosis field. Three were set up in the Western Hemisphere, in Mexico, Argentina, and in Minneapolis, the last to cover the United States and Canada.

Spink has long been a world authority on brucellosis, which he investigated as a newcomer to the University of Minnesota more than 20 years ago.

As a consultant to WHO, he has surveyed brucellosis in Spain and France, and surveyed the brucellosis research project in Tunisia. He is author of a book, The Nature of Brucellosis, published last October by University of Minnesota Press.

The story of brucellosis in Minnesota is well known. Studies led to a stepped-up campaign of testing cattle and slaughtering reactors, then to State law that all milk sold must be pasteurized. Development of a vaccine for calves is another weapon in the fight against the disease.

Here, when WHO sought a center, in cooperation with the Food and Agriculture Organization (FAO) of the United States, it found a unique facility. Departments of veterinary and human medicine were already cooperating in brucellosis research, as was the State health laboratory.

There are very few places in the country where similar work is so concentrated, and probably none to the degree it is here. As campaigns progressed, the incidence of brucellosis has gone down and down in Minnesota.

It is still present, but most human cases are occupational, by contact with animals on the part of farmers or slaughterhouse workers.

Spink believes that eradication is possible within a few years in Minnesota. Such is not the case, however, in the rest of the world. Some American States and cities have not yet passed pasteurization laws, or started survey and vaccination programs.

Worldwide, the incidence of brucellosis in cattle is higher, but the great problem is in sheep and goats. The form of the disease transmitted to humans by goats is known as Malta fever, more severe than the undulant fever that comes from cattle. (Occasional cases have been known of accidental vaccination of humans with cattle vaccine.)

The importance of such a facility as the WHO Brucellosis Center, Spink said, is not only in the field of brucellosis.

The work develops clues to work in other fields. The knowledge gained and compiled is an excellent tool in the study of other diseases, not only bacterial infections, but infections in general.

JOE MEYER, WINNER OF MINNEAPOLIS TRIBUNE ESSAY CONTEST

Mr. THYE. Mr. President, the winner of a recent essay contest conducted by the Minneapolis Tribune was a 17-year-old farm youth from Henderson, Minn., Joe Meyer. His essay on the contest subject, What, in Minnesota, I Would Like Most To Show a Swedish High-School Teen-Ager, was selected from more than a thousand entries, and entitled him to a trip to Sweden to return with the winner of a similar contest there.

This represents a unique exchange of international understanding and good will, Mr. President, and it also indicates that we often unjustly overemphasize the delinquency among our teen-agers. I ask unanimous consent, Mr. President, that this essay together with an article from the Minneapolis Sunday Tribune be printed at this point in the RECORD as part of my remarks.

There being no objection, the essay and article were ordered to be printed in the RECORD, as follows:

[From the Minneapolis Tribune]

HERE IS THE PRIZE ESSAY BY JOE MEYER OF HENDERSON

"What, in Minnesota, I would like most to show a Swedish high-school teen-ager."

This year my best friend is our school's foreign student, and from being with him and reading of people in other lands, I have found that all the people of the world, including us, are the same. Now, I would like to prove this to a young Swedish teen-ager, if he hasn't already discovered it. By acquainting him with life here in Minnesota, a midwestern State so representative of all America, I would show him how much alike his and my country and people really are.

I would take him, as my friend, among my family and teen-age companions, entertain him with our entertainments and let him live as we live. I'm sure he would not find our ways of living and thinking so different from his own, and upon finding himself at ease with us, we would laugh together at today's strife and tension among the nations of the world.

By inviting him to my father's farm, I could present to him the vast panorama of southern Minnesota's rich and beautiful farmland, and I would want to show him our great north woods, the lakes and streams, the iron ranges, the throbbing beat of life in our big cities, the lazy little country towns, and the dynamic flow of all produce over our sprawling transportation network. He would find things so much like his home country that he would almost be missing the adventure of visiting another country.

Here in Minnesota's centennial year, I would lay its history before him, show him historical sites, and point out how rapidly Minnesota has progressed, basing its culture on those of its European settlers. The ties which bind us would become evident, as would the important role his own national group, the Swedes, played in Minnesota's developments.

I would want to show him American government in operation by acquainting him with Minnesota's capital and my own county's courthouse. But no guided tour could show him American freedom and democracy; it would only be constantly there for him to observe, evident in every phase of life around him. I would also want him to see where these ideals grow and are nurtured—our schools. I would want him to see my own and other Minnesota schools so he will not go away thinking them entirely inadequate as they may sound from the recent debates of the issue.

Then, too, Minnesota's religions and churches, from my own little country church to our great cathedrals, should surely be a part of his visit. And while I would be proud to point out American prosperity, I would also not fail to show him American poverty, the city slums, rundown farms, and maybe an Indian reservation.

This truth would not hurt but would only make all other truths, the wonderful ones, still more wonderful and believable. I am confident that such an experience as this will carry world understanding one step further, and just as the young Swede will bring understanding to us, he will also take understanding home with him.

JOE MEYER,
Senior at the Le Sueur Public High School.
HENDERSON, MINN., *April 7, 1958.*

[From the Minneapolis Tribune of May 11, 1958]

STATE FARM YOUTH WINS TRIP TO SWEDEN

(By George Grim)

Joe Meyer is going on the trip of his young life. The 17-year-old from the 180-acre, neat and busy farm at Henderson, Minn., won our essay contest on "What, in Minnesota, I would like most to show a Swedish high-school teen-ager."

Result: Joe will be flying the Atlantic early in June to spend a week with the winner of a similar contest in Stockholm. Then the two will return, on Scandinavian Airlines System, to New York, to see the town, visit Washington, then come to Minnesota.

For the next week, Joe will be showing his Swedish friend the farm, the Iron Range, the Mayo Clinic, and a long list of other sights. Plus—and this was one of the factors that brought this essay top honor—Joe's belief that the visitor should be shown some city slum, a rundown farm "and maybe an Indian reservation. This truth would not hurt, but would only make all other truths, the wonderful ones, still more wonderful and believable."

More than a thousand essays came in for judging. The three of us who did the work found new faith in Minnesota teen-agers. Swedish Consul General Gustav af Petersens, Robert Houde, district sales manager of Scandinavian Airlines System, and I learned much about Minnesota—and about its high-school students.

The essays came from hundreds and hundreds of cities and towns. Four out of five were written in small towns, down rural roads, and on the farm.

First, we read 50 of them. From these a pattern emerged. Then we reread, with this frame of reference. The work was neat, the spelling accurate.

JUDGES PORE OVER THE ENTRIES

The next stage found the entries in two sets of baskets—possibles, and those that didn't quite make the grade. In turn, the possibles were read again until we had two envelopes of 50 essays each. The second-string envelope was rechecked. Now we had just 50.

After 4 days of judging in progress, 1 winner emerged. Joe Meyer's viewpoint was unique. I outlined it, something rarely done in these contests. We judges are to be sure there were 10 categories of suggested things to be shown. On this page we have printed his essay—certain that its unique merit will be obvious.

Then, too, that essay could be mighty welcome to the visiting Scandinavian royalty. It explains us, our hopes, our accomplishments and our problems in sincere effectiveness.

JOE IS A FINE BOY

So we had the essay. Now, who is Joe Meyer?

I drove to Le Sueur High School, where he is a senior.

"You found a fine boy," said Kenneth von Wald, the principal. "He's to be valedictorian at our graduation May 29. He's president of his class, head of the student council, member of the honors society. We didn't know a thing about his essay."

Nobody did.

Joe's mother saw my column announcing the trip. She showed it to Joe. That same Sunday he went to his room in the white farmhouse, opened his typewriter and went to work. Six hours and three rewrites later, it was finished. He mailed it. Never read it to anyone, never told anyone at school. Joe is like that.

We found him in Spanish class. He's quiet but not shy, self-effacing but knowing. There is the shifting of gears to maturity in his manner. He blushed when the girls in the class let fly a screeching chorus of congratulation. (He hadn't told anyone about entering the contest, remember.)

WINNER WANTS CHEMISTRY FUTURE

We met some of his teachers. Joe's fascinated by science.

"I hope to find a place in chemistry," he said, "Going to St. John's University in Collegeville this fall. I'm sure I can learn a lot about it there."

We were soon joined by Janet, 16, a sophomore; John, 15, a freshman; Clem Jr., 13, an eighth grader. At the nearby St. Anne's parochial school, the fifth offspring of the Meyer family, Jerry, is a third grader. All of them have the lively interest, the tumbling-out conversation of mighty intelligent youngsters.

The word of Joe's winning whizzed through Le Sueur High with sonic speed. Although more of a student than most, his popularity was secure. There was respect in the admiration of his classmates.

Nine miles away, we turned off at the Meyer farm. All is orderliness. Joe's dad, born a farmer's son in the same county, is proud of his place. There are 5 cows, 100 chickens, crops of corn and peas and beans.

A pair of tractors, the pickup truck, the family car and the boys' motor scooter keep locomotion always at hand. (The motor scooter, according to Joe's mother, has been painted, repainted, re-repainted, upholstered and reupholstered, artistic wavy lines applied, and then the whole thing repeated.)

Clem, Jr., and John do much of the chores after school, then again after supper. Until last summer, Joe had his regular farm duties. The pattern was broken when, carrying bow and arrow, typewriter and some clean clothes, he went to Colorado to work with a geophysical surveying crew—looking for oil. He took plenty of pictures—color landscapes are a hobby.

The boys are Future Farmers of America members. Clem, Jr., and John have a surpassing interest in a baseball team. Janet hopes to go on to a church college. Young Jerry dreams of a daredevil leap from the top of the family windmill.

Inside the comfortable farmhouse there was evidence of family discipline. The TV set is in the sizable dining room. The living room, and its light-colored rug, is out of bounds to the youngsters. The kitchen tells of orderliness and, from its aroma, of good country cooking.

NOW JOE'S MOTHER CAN SEE ESSAY

"We're all so excited," said Joe's mother. "We couldn't ever send one of our children on such a trip abroad. On a farm like this, and with five offspring, the budget just about fits. I'm so glad I told Joe to try and write that essay. Do you have it with you? I'd like to know what he wrote."

Joe's mother and everybody now can read what he wrote. So will the people in Sweden who read that country's largest newspaper, the Stockholms Tidningen. Pictures of Joe and his family and the farm not only will appear in Picture magazine in our Sunday Tribune soon but also will be published in Scandinavia.

"Will I be bringing back a girl or a fellow?" asked Joe.

Told him I didn't know. We'll hear later this week who won in Sweden.

"We'll welcome him or her to our farm," said Joe's dad.

Joe's essay, you see, led us to a farm, a family, whom we can all be proud.

As for Joe—

He's not just a contest winner—he's our 1-week ambassador.

CONTROL OF COMMERCE IN MEAT AND MEAT PRODUCTS

The PRESIDING OFFICER. Is there further morning business? There being none, the Chair lays before the Senate the unfinished business.

The Senate resumed the consideration of the bill (S. 1356) to amend the antitrust laws by vesting in the Federal Trade Commission jurisdiction to prevent monopolistic practices and other unlawful restraints in commerce by certain persons engaged in commerce in meat and meat products, and for other purposes, which had been reported from the Committee on the Judiciary with an amendment, to strike out all after the enacting clause and insert:

That (a) subsection (6) of section 5 (a) of the Federal Trade Commission Act, as amended (66 Stat. 632; 15 U. S. C. 45 (a) (6)), is amended to read as follows:

"(6) The Commission is empowered and directed to prevent persons, partnerships, or corporations, except banks, common carriers subject to the acts to regulate commerce, and air carriers and foreign air carriers subject to the Civil Aeronautics Act of 1938, from using unfair methods of competition in commerce and unfair or deceptive acts or practices in commerce."

(b) Section 2 (a) of the Packers and Stockyards Act, 1921, as amended (42 Stat. 159, as amended; 7 U. S. C. 182), is amended by striking out:

(1) paragraph (3) thereof; and

(2) paragraph (5) thereof.

(c) The title of such act (7 U. S. C. 181, et seq.) and the title of the act where it appears in the preamble of the act of August 14, 1935 (49 Stat. 648), are amended by striking out the words "livestock products, dairy products" and the words "poultry products, and eggs."

(d) Section 2 (b) of such act (42 Stat. 159; 7 U. S. C. 183) is amended by striking out the words "and meatpacking industries, whereby livestock, meats, meat food products, livestock products, dairy products, poultry, poultry products, or eggs," and inserting in lieu thereof the words "industry, and whereby livestock."

(e) Title II of such act (42 Stat. 160; 7 U. S. C. 191–195) is repealed.

(f) Sections 401 and 403 of such act (42 Stat. 168; 7 U. S. C. 221, 223) are amended by striking out, in each such section wherever they appear, the word "packer", and the words "packer or any live poultry dealer or handler."

(g) Section 502 (a) of such act (49 Stat. 648; 7 U. S. C. 218a (a)) is amended by striking out the words "packers as defined in title II of said act and railroads", and inserting in lieu thereof the words "a railroad."

(h) Section 502 (b) of such act (49 Stat. 648; 7 U. S. C. 218a (b)) is amended by inserting, immediately after the words, "this act," the words "or the Federal Trade Commission Act."

(i) Section 503 of such act (49 Stat. 649; 7 U. S. C. 218b) is amended by striking out the first sentence thereof.

And from the Committee on Agriculture and Forestry with an additional amendment, to strike out the amendment reported by the Committee on the Judiciary and insert:

That (a) subsection (6) of section 5 (a) of the Federal Trade Commission Act, as amended (66 Stat. 632; 15 U. S. C. 45 (a) (6)), is amended to read as follows:

"(6) The Commission is empowered and directed to prevent persons, partnerships, or corporations, except banks, common carriers subject to the acts to regulate commerce, air carriers and foreign air carriers subject to the Civil Aeronautics Act of 1938 and except as provided in section 406 (b) of the Packers and Stockyards Act, 1921 (42 Stat. 199, as amended; 7 U. S. C. 182), from using unfair methods of competition in commerce and unfair or deceptive acts or practices in commerce."

(b) Section 406 (b) of the Packers and Stockyards Act, 1921 (42 Stat. 199, as amended; 7 U. S. C. 182), is amended to read as follows:

"(b) On and after the enactment of this act, and so long as it remains in effect, the Federal Trade Commission shall have no power or jurisdiction so far as relating to any matter which is made subject to the jurisdiction of the Secretary—

"(1) by title II of this act if it concerns either (i) livestock or live poultry, or (ii) any other product in a form other than one in which it is marketed by the packer, poultry dealer, or poultry handler; or

"(2) by titles III or V of this act, except in cases in which, before the enactment of this act, complaint has been served under section 5 of the act entitled 'An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes,' approved September 26, 1914, or under section 11 of the act entitled 'An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes,' approved October 15, 1914, and except when the Secretary of Agriculture, in the exercise of his duties hereunder, shall request of the said Federal Trade Commission that it make investigations and report in any case. The Secretary and the Federal Trade Commission shall maintain such liaison as is necessary to avoid unnecessary duplication of effort in the field covered by this act. Each shall give immediate notice to the other of the filing of a complaint by either agency with respect to any matter over which both have jurisdiction, and thereafter the other shall not institute proceedings covering the same matter."

The amendment made by this subsection shall be effective only during the 3-year period beginning with the date of enactment of

this act, except that it shall continue effective thereafter with respect to complaints filed by either agency during such 3-year period.

(c) Section 202 of the Packers and Stockyards Act, 1921, as amended (42 Stat. 159, as amended; 7 U. S. C. 181 and the following), is amended by inserting after the word "unlawful" the words "with respect to livestock, meats, meat food products, livestock products in unmanufactured form, poultry, or poultry products."

(d) Section 201 of the Packers and Stockyards Act, 1921, as amended (42 Stat. 159, as amended; 7 U. S. C. 181 and the following), is amended by inserting at the end thereof the following: "A change in any person's status as a packer or live poultry dealer or handler after a transaction or act has occurred shall not affect the authority or jurisdiction of the Secretary or the Federal Trade Commission to institute proceedings and issue orders based upon such transaction or act applicable to such person or such action as may be provided by law for the enforcement of such orders."

(e) The caption to title III, appearing immediately before section 301 of such act (42 Stat. 163; 7 U. S. C. 201) is amended by adding, immediately following the word "stockyards," the words "and livestock transactions."

(f) Section 301 (c), section 301 (d), and section 312 (a) of title III of such act (42 Stat. 163 and 167; 7 U. S. C. 201 and 213) are amended by striking out in each such section, wherever they appear, the words "at a stockyard."

(g) Section 302 (a) of title III of such act (42 Stat. 163; 7 U. S. C. 202a) is amended by striking out the last sentence thereof.

(h) Section 303 of title III of such act (42 Stat. 163; 7 U. S. C. 203) is amended by inserting after the first sentence thereof the following sentence: "Every other person operating as a market agency or dealer as defined in section 301 of the act may be required to register in such manner as the Secretary may prescribe."

(i) Section 311 of title III of such act (42 Stat. 167; 7 U. S. C. 212) is amended by striking out the words "stockyard owner or market agency" wherever they occur and inserting "stockyard owner, market agency, or dealer," and by striking out "stockyard owners or market agencies" and inserting "stockyard owners, market agencies, or dealers."

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the Committee on Agriculture and Forestry as a substitute for the substitute reported by the Committee on the Judiciary.

Mr. O'MAHONEY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. PAYNE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLAND. Mr. President, I understand that the pending business is now Senate bill 1356, and that the question is on agreeing to the amendment reported by the Committee on Agriculture and Forestry as a substitute for the substitute reported by the Committee on the Judiciary. Is my understanding correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. HOLLAND. The parliamentary situation is a little different from the usual one, but is not so complex as to cause any great confusion.

To explain it briefly, Senate bill 1356 was originally considered at great length and most ably by the Committee on the Judiciary, and was reported to the Senate and placed upon the calendar.

There was filed by the committee a long and able report, which is on the desks of Senators. It is Report No. 704.

Mr. O'MAHONEY. Mr. President, will the Senator yield for an inquiry?

Mr. HOLLAND. I think it might be better for me to complete my preliminary statement, and then yield, but I shall be glad to yield now if the Senator desires me to do so.

Mr. O'MAHONEY. I would rather have the Senator complete his preliminary statement.

Mr. HOLLAND. The bill as reported from the Senate Committee on the Judiciary was then before the Senate, and the able report of the committee, being Report No. 704, was also before the Senate.

When the time came for the consideration of the bill by the Senate, it was found that there were certain points of difference, so the bill was referred by the Senate to the Committee on Agriculture and Forestry and the Committee on the Judiciary, jointly.

A report now has been filed by myself, on behalf of the Committee on the Judiciary and the Committee on Agriculture and Forestry. It is Report No. 1464. I do not mean, by referring to that report, that in any respect the Committee on the Judiciary is precluded from relying upon anything whatever in its original report, or anything in the bill as it was at that time.

The Committee on Agriculture and Forestry, after a joint meeting with the Senate Committee on the Judiciary, thought it best to suggest certain changes. Those suggestions are now proposed in the form of an amendment, which is the subject to which I shall largely confine myself in these brief remarks.

I now yield to the Senator from Wyoming.

Mr. O'MAHONEY. I will ask the Senator to yield when he completes his statement.

Mr. HOLLAND. I thank the Senator.

The bill deals with the division of authority over unfair trade practices of packers between the Secretary of Agriculture and the Federal Trade Commission. With the amendment proposed by the Committee on Agriculture and Forestry, it would be extended to deal with all transactions in livestock in interstate commerce.

After the bill was referred jointly to the Committee on the Judiciary and the Committee on Agriculture and Forestry, the two committees met and heard testimony from representatives of the Federal Trade Commission and the Department of Agriculture.

There was general agreement that the Department of Agriculture should have exclusive jurisdiction over packers with respect to livestock and poultry, and the amendment proposed by the Committee on Agriculture and Forestry so provides.

In other words, so long as we are dealing with livestock and poultry as such, the Department of Agriculture has complete jurisdiction over packers. Its jurisdiction as to livestock is extended beyond that which it has at the present time, in that its jurisdiction will relate to the whole field, instead of to the somewhat smaller field embraced in the posted stockyards under the present law.

In addition to retaining jurisdiction in the Secretary under title II with respect to livestock and poultry, the amendment extends the jurisdiction of the Secretary of Agriculture under title III of the Packers and Stockyards Act to all livestock transactions in interstate commerce, whether at posted markets or elsewhere.

In other words, the amendment which we propose not only saves to the Department of Agriculture all jurisdiction which it has had up to this time over livestock and poultry as such, but it extends it to apply to all transactions in livestock in interstate commerce. There have been a large number of sales markets engaged in interstate commerce which have not been actively supervised by the Department of Agriculture because they have not been, and in many cases could not be, posted as stockyards within the requirements of existing law. Market agencies and dealers at those sales markets have not been subject to fair trade practice regulation by the Department of Agriculture in the past. Under the amendment we propose these markets could be posted, and market agencies and dealers at these yards, whether they were posted or not, would be subject to regulation by the Department.

There was also general agreement that the Federal Trade Commission should have exclusive jurisdiction over packers with respect to products other than livestock, meats, meat food products, livestock products in unmanufactured form, poultry, and poultry products, and the amendment of the Committee on Agriculture and Forestry so provides.

The packers produce quite a number of articles which are not included within the edible fields I have just mentioned.

After determining that the live animals should be subject to the exclusive jurisdiction of the Secretary of Agriculture, and that strictly nonagricultural products should be subject to the exclusive jurisdiction of the Federal Trade Commission, the committee explored the situation with respect to those products which fell between these two extremes; namely, meats, meat food products, livestock products in unmanufactured form, and poultry products. Here there was disagreement. Each of the two agencies advised that it required jurisdiction with respect to these products in order to carry out its assigned responsibilities. Each agency further recommended that its jurisdiction in this area should be exclusive. The amendment of the Committee on Agriculture and Forestry resolves this conflict by providing for concurrent jurisdiction with respect to these products at the wholesale and retail levels for 3 years. This will give each agency

all the authority it needs to carry out its responsibilities during the next 3 years.

In other words, it is for an experimental period, during which we hope the justice and wisdom of the action will be demonstrated. If it is not demonstrated, Congress will have that fact before it at the expiration of 3 years.

The provisions I have mentioned are the principal provisions of our committee's amendment. A further provision set out in subsection (d) would prevent any person from escaping the jurisdiction of the Federal Trade Commission or the Department of Agriculture after an act or transaction has occurred by changing his status as a packer or nonpacker. That is, that after jurisdiction had been obtained by either the Federal Trade Commission or the Department of Agriculture, a mere change in status would not affect the situation of an individual or business which was involved in the matter.

The principal differences between the amendment recommended by the Committee on Agriculture and that recommended by the Committee on the Judiciary are: First, while the Judiciary Committee amendment in effect transfers all authority of the Secretary of Agriculture under title II of the Packers and Stockyards Act to the Federal Trade Commission, the Agriculture Committee amendment provides for retention of authority in the Secretary with respect to livestock and poultry; concurrent jurisdiction with respect to meats, meat food products, livestock products in unmanufactured form, and poultry products; and transfer to the Federal Trade Commission of authority with respect to all other products. Second, the Agriculture Committee amendment incorporates within it the provisions of the amendment proposed by Senators YOUNG, O'MAHONEY, WATKINS, and CARROLL extending title III of the Packers and Stockyards Act to cover all livestock transactions in interstate commerce.

One of the main objections to the present law, as it has been interpreted, and the correction of which has been frequently urged, particularly by small merchants, is that larger merchants have, by acquiring a 20-percent interest in a packing plant, been able to escape Federal Trade Commission jurisdiction over all their activities, even those relating to products other than meat and other edible products of meatpackers.

I wish to make it very clear that the enactment of the pending bill will effectively eliminate this loophole in the law. As a matter of fact, not only the pending bill, but the other bills on the subject, both in the House and in the Senate, recognize this problem and contain provisions to handle it effectively.

This particular subject matter, which is of very great importance, is very well treated in pages 12 through 15 of the report of the Judiciary Committee on S. 1356. It is Report No. 704.

I ask unanimous consent that the able discussion in the report, beginning with the last paragraph on page 12, and continuing down to the middle of page 15, may be incorporated in the RECORD at this point as a part of my remarks.

There being no objection, the excerpts from the report were ordered to be printed in the RECORD, as follows:

RECENT DECISIONS AND RULINGS HINDERING EFFECTIVE ANTITRUST ENFORCEMENT BY THE FEDERAL TRADE COMMISSION

A series of court decisions and administrative ruling has greatly extended the exemption from regulation by the Federal Trade Commission which is contained in the Packers and Stockyards Act. The term "packer" to which the Packers and Stockyards Act applies in according immunity from the Federal Trade Commission Act and from Commission enforcement of the Clayton Act is extremely broad in its reach. Any person, firm or corporation, no matter how far removed from the packing business, need only acquire 20 percent interest in a packing plant to lay claim to the exemption. As a result, numerous large nonpacker corporations are qualifying as packers and thus escaping Federal Trade Commission supervision.

The leading court decision on this matter is *United Corporation* v. *Federal Trade Commission* (110 F. 2d 473 (1940)), in which the Fourth Circuit Court of Appeals reviewed an order by the Federal Trade Commission requiring United Corp. to cease and desist from representing that the corned beef hash and deviled ham which is sold were made from products originating in Virginia, from using the trade name "Virginia Products Co." from using labels containing the word "Virginia," and from invoicing its sales from Richmond or other places within the State of Virginia. The canned meat products marketed by United Corp. were packed for it by two meatpacking companies, Montell, Inc., of Cambridge, Md., and Emmart Food Products Co., of Chicago, Ill. The meat used in the products, except for the deviled ham packed by Montell, did not originate in the State of Virginia, and it was on a base of false and deceptive advertising, therefore, that the FTC proceeded against United Corp.

After the complaint was filed, but before the FTC cease and desist order was issued, United Corp. acquired a 20 percent interest in the stock of Montell and Emmart. Since it thereupon became a packer under the definition of that term in section 201 of the Packers and Stockyards Act, United asked the court to set aside the FTC order to cease and desist as the company was no longer subject to FTC jurisdiction. The definition of "packer" in the act reads in part as follows:

"SEC. 201. When used in this act the term "packer" means any person engaged in the business (a) of buying livestock in commerce for purposes of slaughter, or (b) of manufacturing or preparing meats or meat food products for sale or shipment in commerce, or (c) of manufacturing or preparing livestock products for sale or shipment in commerce, or (d) of marketing meats, meat food products, livestock products, dairy products, poultry, poultry products, or eggs in commerce; but no person engaged in such business of manufacturing or preparing livestock products or in such marketing business shall be considered a packer unless—

* * * * *

"(4) Any person or persons jointly or severally, directly or indirectly, through stock ownership or control or otherwise, by themselves or through their agents, servants, or employees, own or control in the aggregate 20 percent or more of the voting power or control in such business of manufacturing or preparing livestock products, or in such marketing business and also 20 percent or more of such power or control in any business referred to in clause (a) or (b) above."

Section 406 (b) of the Packers and Stockyards Act reads as follows:

"(b) On and after the enactment of this act, and so long as it remains in effect, the Federal Trade Commission shall have no power or jurisdiction so far as relating to any matter which by this act, is made subject to the jurisdiction of the Secretary * * * except when the Secretary of Agriculture in the exercise of his duties hereunder, shall request of the said Federal Trade Commission that it make investigations and report in any case."

The circuit court of appeals set the FTC order aside, holding that since the power of the FTC is purely regulatory and not punitive, it must have jurisdiction at the time of the entry of its order, and that the Commission therefore had no further jurisdiction over United after it acquired its interest in the two packing companies.

Since this decision, many companies have sought exemption from FTC regulation as packers. Mr. Kintner, General Counsel of the Commission, pointed out to the subcommittee that some of the larger packers have proliferated into many unrelated fields, and, even more important, many concerns primarily engaged in other lines of commerce have become packers within the definition of "packer" in the act. This is particularly true, he stated, of many of the largest grocery chains, which, although they are essentially engaged in merchandising all of the thousands of items usually found in grocery stores and supermarkets, nevertheless qualify as packers because some part of their operations brings them within the definition of "packers." Among such grocery chains are Great Atlantic & Pacific Tea Co., the Kroger Co., Safeway Stores, and First National Stores.

Among the companies which have claimed immunity from regulation by the Federal Trade Commission on the grounds they are subject to the Secretary of Agriculture under the Packers and Stockyards Act, is an ice cream company which owns an affiliated company that is a packer of dog food (*Federal Trade Commission* v. *Carnation Co., et al.*, FTC docket No. 6172). Wilson & Co., which is primarily a packer, has successfully asserted immunity from regulation by the FTC of its sporting goods business—a nonfood line.

The Commission has also pointed out an allied problem arising out of the so-called oleomargarine amendment to the Federal Trade Commission Act (64 Stat. 20). When a proceeding was brought against Armour & Co. charging false and deceptive advertising of oleomargarine, a nonmeat food product, the Commission was obliged to dismiss this action, because Armour was a packer and subject to the Secretary of Agriculture.

Subsequently a complaint was filed, and an order to cease and desist was issued against the Blanton Co. under the oleomargarine amendment. Blanton has filed a petition to review and set aside this order in the Eighth Circuit Court of Appeals, contending that the amendment is unconstitutional as denying equal protection of the law, since it does not apply to Blanton's competitors who are "packers" within the meaning of the Packers and Stockyards Act.

The complaint in the Food Fair case (*In the Matter of Food Fair Stores, Inc.*, docket 6458) charged a food retailing chain with violation of section 5 of the Federal Trade Commission Act. The hearing examiner granted a motion by Food Fair to dismiss the complaint on the ground that it is a packer and as such is subject to the exclusive jurisdiction of the Secretary of Agriculture. While counsel for the Commission showed that the sales of products from the packing plant owned by Food Fair gross about $25 million annually which is a very small part of the company's total annual gross of $475 million for the fiscal year ending April 28,

1956, this had no effect on the examiner's ruling. The hearing examiner quoted with approval the argument of Commission counsel that this interpretation "logically and inevitably leads * * * to absurd results enabling any concern to choose at will the regulatory authority, by simply acquiring or divesting itself of a packing plant. Or, put more crassly, by the simple expedient of buying a load of chickens, wringing their necks, plucking their feathers and selling their carcasses in commerce, any business in the Nation, even a tire or battery manufacturer, for instance, may escape regulation of its entire business by the Federal Trade Commission." The examiner declared the law clear and unambiguous in "terms, command and intent," and he felt obliged to hold Food Fair immune from FTC regulation. This case is now before the Commission for decision. If upheld, many sweeping claims for exemption from FTC regulation will be made.

S. 1356 eliminates all doubt as to the authority of the Federal Trade Commission to proceed against meatpackers. It prevents other companies from escaping regulation by the Federal Trade Commission on the ground they are packers. Confusion and injustice result when a food retailer large enough to acquire a packing company is regulated by the Department of Agriculture, but its smaller competitor is subject to more stringent enforcement of trade-practice rules administered by the Federal Trade Commission. As a consequence, there are different standards of legality for measuring the conduct of competitors.

Mr. HOLLAND. Mr. President, there is one other comment I wish to make before I yield to the real author and principal proponent of the bill, who has handled it most ably and successfully, the Senator from Wyoming [Mr. O'MAHONEY]. I wish to call attention to this additional fact.

There is a very worthy bill on this subject pending in the House, H. R. 9020, known, I believe, as the Cooley bill. Many of the provisions of that bill are incorporated in the proposal we are offering today. However, there is one provision in that bill with which we have not been able to agree, and I believe that the reason we could not agree should be stated on the floor. The provision I refer to is the one limiting the jurisdiction of the Federal Trade Commission over packers in the field of edible products to retail sales, or to cases in which it is requested to act by the Secretary of Agriculture. The Secretary of Agriculture now has authority to request the FTC to investigate and report in cases where he deems such action necessary, but no such request has been made since the passage of the Packers and Stockyards Act in 1921.

Not only were we told by the Federal Trade Commission that such a limitation would leave it powerless to handle the various monopolistic practices which have developed, and which the Commission is organized to investigate and bring to light, but also, if we passed that provision, we felt Congress would be subjected to very grave criticism.

The Big Four meat packers are operating under a Federal injunction, issued some years ago, by which they are prohibited from engaging in retail transactions. Therefore, such a provision, if written into law, would, in effect, say that we do not propose to subject the big packers to the jurisdiction of the Federal Trade Commission in any of their transactions in the field of meat and meat products.

We felt that since some of the discriminations complained of have been charged to and are now charged to the big packers, we should avoid anything that would leave Congress in the position of saying, "Hands off the big packers. The laws we enact shall be effective only against the small packers."

It is for that reason that we have declined to incorporate in our bill that particular provision of the House measure, which in many other respects we have followed very closely.

Mr. President, I yield the floor.

Mr. O'MAHONEY. Mr. President, I wish to say to the Senator from Florida that after he had begun his preliminary statement, there was some discussion about a unanimous-consent agreement to limit debate on the bill. The disposition of Members of the Senate seems to be such that it is generally believed the bill can be disposed of rather quickly. However, I do not wish to make a request for a unanimous-consent agreement to limit debate without the knowledge of the Senator from Florida. The proposal which I intend to suggest to the Senate would be that debate on any amendment, motion, or appeal shall be limited to 30 minutes, to be equally divided between both sides; and that on the question of the final passage of the bill debate shall be limited to 3 hours. Is such an agreement acceptable to the Senator from Florida?

Mr. HOLLAND. Mr. President, it certainly is acceptable to me. However, I believe the distinguished Senator from Wyoming and the distinguished Senator from Illinois [Mr. DIRKSEN], who, I understand, has an amendment, should be the ones to pass upon that kind of agreement. I do not intend to speak further at length in the debate. I felt it my duty, as the one who had reported the measure for the two committees, and who had conducted the hearings, to make an opening statement. I am very strongly in favor of the amendment we have submitted, and which is the first thing at issue before us. I neither care nor expect to debate the matter at length myself.

Mr. DIRKSEN. Mr. President, I am entirely agreeable to the suggested time limitation of the distinguished Senator from Wyoming. However, before it is formally submitted, I should like to suggest the absence of a quorum, and then we can consider the matter further.

Mr. O'MAHONEY. Perhaps the Senator from Vermont would like to say something.

Mr. AIKEN. I should like to take a few minutes. I do not care whether I am recognized now or later.

The PRESIDING OFFICER. Does the Senator from Wyoming yield to the Senator from Vermont?

Mr. O'MAHONEY. Mr. President, I yield to the Senator from Vermont.

Mr. AIKEN. Mr. President, I have listened to the explanation of the recommendation made by the majority of the Committee on Agriculture and Forestry, as set forth by the able Senator from Florida. While there was no objection to reporting the recommendation, the recommendation itself was approved by a 7 to 6 vote, with 2 Senators being absent from the committee.

Six members of the committee felt that the so-called hot-pursuit amendment, which had been drawn up at the request of some of us by the Department of Agriculture, was probably a better way to meet the situation. However, we did not prevail. Seven Senators voted for the amendment which the Senator from Florida proposed, and six Senators supported the hot-pursuit amendment.

We are all in agreement that the existing loopholes in the law should be plugged. It is unthinkable that a certain branch or a large segment of the mercantile industry should be able to escape supervision by anyone because of loopholes in the law.

I was greatly amazed to learn that an examiner of the Federal Trade Commission had ruled that a chain store, a department store, or anyone else who bought a few shares of stock in a packing company thereby became a packer under the law and was exempt from Federal Trade Commission jurisdiction. We all want to put a stop to that kind of activity.

Frankly, I think that the opinion of the examiner for the Federal Trade Commission was a perversion of the law; but not being a lawyer, I do not want to get into a discussion about that. The opinion simply did not make sense at all.

I merely wished to point out that the recommendation which has been presented was approved in the committee by a 7 to 6 vote.

Mr. DIRKSEN. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. O'MAHONEY. Mr. President, I submit a proposed unanimous-consent agreement, and ask that it be read. Before the clerk begins to read, I may say that the proposed agreement has been discussed with the leaders on both sides of the aisle and with other Senators who are interested in the bill. I think there is no objection to it.

The PRESIDING OFFICER. The clerk will read the proposed unanimous-consent agreement.

The legislative clerk read as follows:

UNANIMOUS-CONSENT AGREEMENT

Ordered, That, effective during the further consideration of the bill (S. 1356) to amend the antitrust laws by vesting in the Federal Trade Commission jurisdiction to prevent monopolistic acts or practices and other unlawful restraints in commerce by certain persons engaged in commerce in meat and meat products, and for other purposes, debate on any amendment, motion, or appeal,

except a motion to lay on the table, shall be limited to 30 minutes, to be equally divided and controlled by the mover of any such amendment or motion and the majority leader: *Provided,* That in the event the majority leader is in favor of any such amendment or motion, the time in opposition thereto shall be controlled by the minority leader or some Senator designated by him: *Provided further,* That no amendment that is not germane to the provisions of the said bill shall be received.

Ordered further, That on the question of the final passage of the said bill debate shall be limited to 3 hours, to be equally divided and controlled, respectively, by the majority and minority leaders: *Provided,* That the said leaders, or either of them, may, from the time under their control on the passage of the said bill, allot individual time to any Senator during the consideration of any amendment, motion, or appeal.

The PRESIDING OFFICER. Is there objection to the proposed unanimous-consent agreement? The Chair hears none, and the agreement is entered.

Mr. O'MAHONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Wyoming will state it.

Mr. O'MAHONEY. There is now before the Senate a star print of Senate bill 1356, which is covered by Report No. 1464 and Report No. 704, the latter having come from the Committee on the Judiciary, and the former having come from the Committee on Agriculture and Forestry. In the star print, the amendment of the Committee on the Judiciary is printed in italics. The amendment suggested by the Committee on Agriculture and Forestry is printed in boldface type.

On behalf of the Committee on the Judiciary, the Senator from Utah [Mr. WATKINS] and I, and other members of the committee who have been in charge of the bill, are agreeable that the amendments of the Committee on the Judiciary shall be passed over, and that the Senate shall proceed immediately to the amendment offered by the Committee on Agriculture and Forestry.

My parliamentary inquiry is whether it will be necessary now for the Senator in charge of the amendment reported by the Committee on Agriculture and Forestry to offer the amendment which is in boldface type in the star print.

The PRESIDING OFFICER. It is not necessary. The question is on agreeing to the amendment reported by the Committee on Agriculture and Forestry as a substitute for the substitute amendment reported by the Committee on the Judiciary.

Mr. HOLLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Florida will state it.

Mr. HOLLAND. In other words, that question is now pending, and no additional offering of the amendment of the Committee on Agriculture and Forestry by the Senator from Florida or any other Senator is required. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. DIRKSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Illinois will state it.

My understanding is that the Holland amendment is actually only in the first degree, and that subsequent amendments can be offered; and that the first vote will recur upon any other amendment which is offered.

The PRESIDING OFFICER. The Senator is correct.

Mr. O'MAHONEY. Mr. President, I allot myself 10 minutes from the time for debate on the bill.

I think the two reports now presented to the Senate are an illustration of one of the most effective procedures which have taken place in the Senate in quite a long time. The bill, because it deals with the antitrust laws, was considered first by the Committee on the Judiciary. That committee amended the bill and reported it to the Senate.

But because the bill deals with a matter which is in the jurisdiction of the Department of Agriculture and is intended to remove from the Department of Agriculture jurisdiction over the violations of the antitrust laws, the Federal Trade Commission Act, and the Clayton Act, and to transfer the jurisdiction to the Federal Trade Commission, the Committee on Agriculture and Forestry naturally felt that, perhaps, it should have an opportunity to examine the text of the bill.

The distinguished Senator from Florida [Mr. HOLLAND] moved that the bill be referred to a joint session of the Judiciary Committee and the Committee on Agriculture and Forestry.

Mr. HOLLAND. Mr. President, will the Senator from Wyoming yield to me?

The PRESIDING OFFICER (Mr. TALMADGE in the chair). Does the Senator from Wyoming yield to the Senator from Florida?

Mr. O'MAHONEY. I yield.

Mr. HOLLAND. I believe the distinguished majority leader, the senior Senator from Texas [Mr. JOHNSON] was the one who made the motion.

Mr. O'MAHONEY. Yes; I believe that is correct.

I immediately agreed to the unanimous-consent request, though with some modification, which had been made by the majority leader, because it was the desire of the members of the Judiciary Committee who were supporting the measure to make certain that the fullest survey of the effect and the meaning of the bill should be made by the committees which have a vital interest in the measure.

I attended the joint hearing. The Senator from Illinois also attended it. The Federal Trade Commission and the Department of Agriculture were represented there.

The amendment now before the Senate is the work of the members of the two committees and of their efficient staffs; I refer to the staff of the Antitrust and Monopoly Subcommittee of the Judiciary Committee, the staff of the Committee on Agriculture and Forestry, and the staff of the distinguished Senator from Florida [Mr. HOLLAND].

Mr. MANSFIELD. Mr. President, will the Senator from Wyoming yield to me?

Mr. O'MAHONEY. I yield.

Mr. MANSFIELD. Would the Senator from Wyoming care to prophesy what would have been the effect if the bill which was reported by the Judiciary Committee had not been referred also to the Committee on Agriculture and Forestry?

Mr. O'MAHONEY. Then there probably would have been long debate; and it probably would have been very difficult to work out on the floor of the Senate a very constructive measure, as is the one now before the Senate.

Mr. MANSFIELD. Is it not also true that when, some weeks ago, the Senate had before it the bill of the Senator from Wyoming, there was very little debate and little chance to obtain agreement, in that relatively short time, on the proper procedure to be followed?

Mr. O'MAHONEY. That is correct.

Mr. President, it is generally agreed that economic conditions in the Nation are such that it is incumbent on the Congress and on industry to do everything they can do cooperatively to maintain a free, competitive economy in which no group, no industries, and no parts of industries shall be in a position of power to regulate the transactions of those engaged in the livestock industry.

Dealings in livestock and livestock products have been of great concern over a long period of years. There have been violations of the antitrust laws. There have been practices which were inimical to the growers of live animals, including poultry. There have been abusive practices which were inimical to the interests of the consumers. There have been practices which gave all the color of a desire on the part of the packers to establish a monopoly.

The result was, first, a consent decree, under prosecution initiated by the Department of Justice; and then came the enactment of the Packers and Stockyards Act.

During the hearings on this bill, we received the acknowledgement of the Under Secretary of Agriculture that for more than 26 years the Department of Agriculture had not adequately enforced the antitrust laws.

As the Senator from Florida has said, the original position of each agency—that is to say, of the Department of Agriculture, on the one hand; and of the Federal Trade Commission, on the other—was that each should have exclusive jurisdiction. That difficulty has been solved by this amendment.

This measure is well designed to prevent any further increase in the high cost of living by monopolistic abuses on the part of wholesalers or retailers; and by the use of the word "retailers" in this connection, I mean the chainstores. The big packers and the chainstores have been in a position to dominate this industry. The act which was passed by Congress—and the purpose of that act was to preserve free enterprise—was not effective.

The purpose is to prevent exploitation of the small packer, the small retailer, and the consumer. In other words, the pending measure is designed to maintain high standards of business

activity in conformity with the antitrust laws of the United States.

Therefore, Mr. President, I wish to say, on behalf of the Judiciary Committee, that the amendment which has been reported by the Committee on Agriculture and Forestry is quite satisfactory. We have no intention whatsoever of resisting favorable action on the amendment.

I feel that I must compliment the Senator from Florida [Mr. HOLLAND] for the very efficient work he did in conducting the hearings with the two Government agencies concerned and with all others who were interested, and on developing the amendment, which goes a long way toward bringing about a better standard of operation in the entire livestock business.

The Department of Agriculture has exclusive jurisdiction in one area. The Federal Trade Commission has exclusive jurisdiction in another area. But there is concurrent jurisdiction, and both wholesaling and retailing can be examined by either one.

Because of some remarks which were made on the floor of the Senate, a few days ago, by the Senator from Oregon [Mr. MORSE], I wish to say that this bill does not require the two agencies to come to an agreement before an action can be commenced.

I wish to read, beginning on page 6 of the bill, in line 20:

The Secretary—

Meaning the Secretary of Agriculture—

and the Federal Trade Commission shall maintain such liaison as is necessary to avoid unnecessary duplication of effort in the field covered by this act. Each shall give immediate notice to the other of the filing of a complaint by either agency with respect to any matter over which both have jurisdiction, and thereafter the other shall not institute proceedings covering the same matter.

One of the most important features of the bill, as reported by the Committee on Agriculture and Forestry, is to be found on page 7, beginning in line 17, and reading as follows:

(d) Section 201 of the Packers and Stockyards Act, 1921, as amended (42 Stat. 159, as amended; 7 U. S. C. 181 and the following), is amended by inserting at the end thereof the following: "A change in any person's status as a packer or live poultry dealer or handler after a transaction or act has occurred shall not affect the authority or jurisdiction of the Secretary or the Federal Trade Commission to institute proceedings and issue orders based upon such transaction or act applicable to such person or such action as may be provided by law for the enforcement of such orders."

The PRESIDING OFFICER. The 10 minutes the Senator from Wyoming yielded to himself have expired.

Mr. O'MAHONEY. Mr. President, I yield myself an additional 5 minutes.

The PRESIDING OFFICER. The Senator from Wyoming is recognized for an additional 5 minutes.

Mr. O'MAHONEY. Mr. President, the danger of conflict is thus removed, and the loophole by which jurisdiction could have been escaped is thus closed.

I desire to make a part of the RECORD a statement of the facts relating to the case of Giant Food Shopping Center, Inc., docket No. 6459 of the Federal Trade Commission, which illustrates how the loophole was used in the past.

The Giant Food Shopping Center, Inc., was charged by the Federal Trade Commission with having indulged in discriminatory advertising. The Giant conducted anniversary sales and, it was alleged, sent letters to suppliers requesting contributions to Giant's advertising fund. The complaint charged that Giant diverted some of those funds for its own use. These were funds in excess of those actually used in the advertising.

After the proceeding was commenced, Giant registered as a packer with the United States Department of Agriculture. The sole purpose of that registration was to escape any further procedures under the Federal Trade Commission action. It then moved to dismiss the complaint on the ground that the Giant company was subject to the Secretary of Agriculture as a packer, and therefore not subject to the jurisdiction of the Federal Trade Commission.

There was no claim that Giant bought livestock in commerce for purposes of slaughter or that it owned or controlled any interest in any packing plant. The examiner granted the motion to dismiss on the basis that the process of grinding up meat, mixing it with spices and other meat, constituted the preparation of meat food products, rather than meat, per se. That finding was overruled by the Commission.

Then, on March 28, 1958, the Giant company purchased 100 shares of the common stock of Armour & Company, a packer subject to the jurisdiction of the Secretary of Agriculture. Giant then moved to dismiss, claiming that by its purchase of this stock it became a packer. That absurd claim, the fact that it had purchased 100 shares, which cost the Giant company only $500, was the argument advanced by the defendant company to secure escape from prosecution.

On April 16, 1958, Examiner Hier ordered the complaint dismissed for lack of jurisdiction, on the ground that Giant had become a packer and was no longer subject to the jurisdiction of the Federal Trade Commission.

We in the Committee on the Judiciary, with the cooperation of the Committee on Agriculture and Forestry, have closed this door.

The case is cited as an illustration of the necessity for passing the pending bill speedily. All the technicalities have been agreed to by a competent staff. I see no reason why the bill should not be passed.

Mr. HOLLAND. Mr. President, will the Senator yield me 1 minute?

Mr. O'MAHONEY. I yield.

Mr. HOLLAND. I first wish to express my deep appreciation to the Senator from Wyoming for his kind remarks about the Senator from Florida.

Second, I appreciate, in turn, the cooperative attitude of the Senator from Wyoming, who has not only accepted the substance of the amendment which we suggested, but who also accepted the provision for the 3-year trial period, though he was disinclined in the beginning to give his approval, because he felt 3 years was not sufficient time. We felt it was. We are deeply appreciative of his cooperative attitude.

The PRESIDING OFFICER. The question is on agreeing to the——

Mr. O'MAHONEY. Mr. President, the Senator from New Jersey has asked me to yield so that he may introduce a distinguished guest to the Senate. I ask unanimous consent that the time involved in this proceeding shall not be assessed against either side.

The PRESIDING OFFICER. Is there objection? The Chair hears none.

VISIT TO SENATE BY THE RIGHT HONORABLE JOHN ROSS MARSHALL, OF NEW ZEALAND

Mr. SMITH of New Jersey. Mr. President, we have with us today a distinguished visitor from New Zealand, the Right Honorable John Ross Marshall, a Member of the Parliament and Deputy Leader of the National Party of New Zealand, who has been entertained at a luncheon in the Capitol.

Mr. Marshall is in the United States under the foreign leader exchange program of the International Exchange Service of the Department of State.

Mr. Marshall is an important personage in the political life of New Zealand, and he is a partner in one of the leading law firms in Wellington.

In 1953 Mr. Marshall represented New Zealand at the Colombo Plan Conference in New Delhi. He has traveled widely, and has had extensive military service.

For a time he served as Attorney General of New Zealand.

While in the United States, Mr. Marshall wishes to observe the organization of our political parties; gain an impression of the current political climate of the United States; study our antitrust legislation; observe labor-management relations, and so forth.

It is a great honor for me to introduce to the Senate Mr. John Ross Marshall. [Applause, Senators rising.]

The PRESIDING OFFICER. On behalf of the Senate, the Chair wishes to say we are delighted to have Mr. Marshall with us.

ADDITIONAL JUDGE FOR JUVENILE COURT OF THE DISTRICT OF COLUMBIA

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 7785) to provide for the appointment of an additional judge for the Juvenile Court of the District of Columbia, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BIBLE. I move that the Senate insist upon its amendments, agree to the

request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. CLARK, Mr. BIBLE, and Mr. JAVITS conferees on the part of the Senate.

CONTROL OF COMMERCE IN MEAT AND MEAT PRODUCTS

The Senate resumed the consideration of the bill (S. 1356) to amend the antitrust laws by vesting in the Federal Trade Commission jurisdiction to prevent monopolistic practices and other unlawful restraints in commerce by certain persons engaged in commerce in meat and meat products, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the Committee on Agriculture and Forestry as a substitute.

Mr. DIRKSEN. Mr. President, I yield 10 minutes to the distinguished Senator from Nebraska [Mr. HRUSKA].

The PRESIDING OFFICER. The Senator from Nebraska is recognized.

Will the Senator from Illinois state whether the time is to be charged to the time allotted on the amendment or on the bill?

Mr. DIRKSEN. On the bill.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 10 minutes.

Mr. HRUSKA. Mr. President, the splendid introductory statement of the Senator from Wyoming has been very helpful in getting a picture of the issue which is before the Senate and of the issues which will be considered during the course of the debate. However, during the course of the hearings, and during the course of some discussion of the bill, charges and claims and implications surrounding this issue have been so misleading as to leave a totally one-sided picture of the Department of Agriculture activities in administering the Packers and Stockyards Act provisions regarding meatpacker operations. Generally, the implication has been that the Department of Agriculture has not adequately enforced the Packers and Stockyards Act as to packers.

Because the Department of Agriculture has spent its time in carrying out its responsibilities in enforcing the act, rather than building up and publicizing refutations to these charges, one side of this story has been presented against the Department in such a way that the actual facts of the situation have not been given proper publicity. A review of the situation reveals that the Department has done an effective job of regulating the livestock and meatpacking industry under the Packers and Stockyards Act. I would like to submit proof of this by specific references and facts regarding charges that have been made. It has been recognized that the Department has taken action in many instances in the packer trade practice field, but little consideration has been give to the fact that S. 1356 proposes to transfer this jurisdiction from the Department to an agency which has held authority for nonpacker interstate livestock transactions but which has not been and is not in any way active in the carrying out of this responsibility. In fact, the Department of Agriculture has even been condemned for failing to carry out responsibility for nonpacker livestock transactions off the market, when this activity has wholly rested in the Federal Trade Commission and the Department has no jurisdiction in this area. The Federal Trade Commission apparently has no interest in enforcing the law in this area, and raises no objections to the transfer of jurisdiction to the Department of Agriculture of these transactions.

Let me review some of the misleading charges and to set forth the facts in the situation.

First, has been the implication that the Department's administration of the Packers and Stockyards Act has resulted in the favoring of larger packers and in an increased concentration of the packing industry in the hands of a few. The facts are, the reverse of this situation is true. The period in which there was a concentration in the packing industry was the period before jurisdiction was transferred from the Federal Trade Commission to the Department of Agriculture, and that was way back in 1920 and 1921. Since the Department has had jurisdiction in 1921 the trend has constantly been one of smaller packers increasing their percentage of the total packing business. The actual percentage of commercial slaughter by the top 4 packers has dropped from 44 percent in 1920 to 38 percent in 1956.

Interpolating briefly, Mr. President, other statistics which are of particular significance are that in 1909 there were some 1,221 meatpackers in America; in 1939 there were 1,478 meatpackers; in 1947 there were 2,153 meatpackers; and in 1954, the last year for which I have been able to obtain the statistics, there were 2,367 meatpackers. This shows there were almost twice as many meatpackers in business in 1954 as were in business 45 years prior to that.

Another statistic of interest is that in the 1920's, when the Packers and Stockyards Act was passed, there were about 80 major rail-centered livestock markets. Today, some 37 years later, there are approximately 1,000 posted markets or markets which are eligible for posting, which means yards with more than 20,000 square feet of area.

I should like to ask this question, Mr. President: In what other industry of comparable size regulated by the Federal Trade Commission has the smaller business firm so greatly improved its position?

Another charge has been that the Department should have taken more formal actions against the packing industry. The facts are that, first, in 1937 the Department took broad action against many of the major packers and they were ordered to cease and desist from fixing prices on meat and meat food products, giving undue preferences, and engaging in practices that tended to create monopoly and apportionment of sales. This order is still in effect and is a strong force in maintaining fair trade practices in the industry.

Second. The Department of Agriculture, in 1939, instituted what developed into a broad investigation regarding monopoly in the packing industry and requested assistance from the Department of Justice. The Department of Justice then undertook, with the aid and assistance of the Department of Agriculture, a formal case and investigation of monopolistic practices in the meatpacking industry, issuing complaints during the 1940's and continuing its case until 1954, when it was dismissed. This investigation was recognized by the Department as covering the field against the major packers so the Department naturally did not duplicate this investigation, which continued until 1954. In addition, during this period the entire industry, insofar as its prices and many other activities were concerned, were under strict Government regulation. Yet, time and again it has been suggested that the Department should have been conducting investigations and duplicating the work carried on by the Department of Justice.

Third. The Department, in recent years, has conducted its administration of the Packers and Stockyards Act through many informal and less expensive procedures in accordance with the recommendations of the President's Committee on Administrative Procedure.

Another charge has been that the Department of Agriculture has not had the inclination to enforce the packer provisions of the act. The facts are that the Department, on many occasions, has asked for more funds to carry out all provisions of the act. And even with the limited funds available, the record shows they have investigated every packer complaint submitted to them.

I should like to make an additional observation, Mr. President, with reference to the allegations and the charges that the Department of Agriculture has been derelict in its duty in enforcing certain provisions of the Packers and Stockyards Act pertaining to the packers. The act has been in effect since 1921, or 37 years. During all that time if there has been any dereliction of duty it has been pursuant to a national policy which has been fixed by the Congress as well as by the respective administrations which have been in power during that period of time.

Certainly the Congress knew, through its membership in the respective years, exactly how much was being done or how much was being omitted from the field of enforcement and investigation of charges with reference to the packers and the particular act in question. If the successive Congresses acquiesced in what was being done it seems to me that is as much a determination and formulation of national policy as if Congress had acted to amend the act, calling for additional action within that particular field. There being national policy, which was formed jointly by actions of the administrations—through their Bureaus of the Budget, with reference to appropriations, as well as the Secretaries of Agriculture—and the lack of action on the part of Congress, I sincerely believe it is highly unfair to point the finger solely at the Department of Agriculture

and try to place all the blame or all the criticism on that Department in this particular regard.

Another charge has been that the Department does not have an adequate staff qualified to enforce packer trade practice activities while the Federal Trade Commission has a qualified staff in this field which could do the work without additional appropriation. Those who have made this charge demonstrate their lack of understanding or a lack of desire to understand the Department's operations in this field. All of the packers' labeling in interstate commerce must first be approved by the Department's Meat Inspection Division and the product sold by these packers must be processed and packaged in accordance with instructions of the Department. It is obviously unreasonable for the Department to institute a proceeding in regard to labeling practices which it, itself, has approved and completely controls. Actually, instead of a very limited number of people in the Department who are qualified and available to see that packers comply with fair trade practices as well as other Federal laws, the Department has many personnel overseeing and supervising meat-packer activities in the merchandising field.

The PRESIDING OFFICER (Mr. MORTON in the chair). The time of the Senator has expired.

Mr. DIRKSEN. Mr. President, I yield 5 additional minutes to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for an additional 5 minutes.

Mr. HRUSKA. Mr. President, not only are the labeling of meat and the manufacture of meat products controlled by the Meat Inspection Division with approximately 3,000 employees, but prices paid by packers for livestock and prices of meat sold by packers are reported by a staff of reporters at nearly 50 different markets. Over 400 Department-employed meat graders, skilled by years of experience in the industry and trade, acquainted with merchandising practices, are constantly applying uniform grades and standards to meat products produced by the packers. In addition, of course, the Department has its staff of about 100 employees who are thoroughly trained in the enforcement of the Packers and Stockyards Act and, in addition, this staff has the services and legal assistance of the Office of General Counsel. Nowhere in the Federal Trade Commission will one find comparable knowledge or experience which would provide an understanding of this complicated packing industry and its operations. Furthermore, representatives of the Federal Trade Commission have testified that the agency would have to have additional funds if it assumed this additional responsibility. It is obvious that the Federal Trade Commission would have to employ and train new people before it could acquire the knowledge and understanding of this industry.

In the interest of good government and a logical approach to the problem of jurisdiction and the welfare of the livestock and meat industry, the Department of Agriculture should retain the jurisdiction over the wholesale operations of meatpackers, and it should be given the authority which now rests in the Federal Trade Commission for the supervision of nonpacker interstate livestock transactions. There appears to be no controversy, on the other hand, that the Federal Trade Commission should be given jurisdiction over retail sales of packers and over those products handled by packers which are not related to livestock and meat, in terms of the definition of those words as found within the proposed measure.

I yield the floor, Mr. President.

Mr. WATKINS rose.

Mr. O'MAHONEY. Mr. President, I allot to the Senator from Utah 20 minutes.

The PRESIDING OFFICER. The Senator from Utah is recognized for 20 minutes.

Mr. WATKINS. Mr. President, the Committee on Agriculture and Forestry made certain recommendations in addition to those made by the Committee on the Judiciary. The Committee on Agriculture and Forestry recommends that:

> The two agencies shall have concurrent jurisdiction with respect to meats, meat food products, livestock products in unmanufactured form, and poultry products after they have been prepared in form for distribution (p. 4).

While I prefer the Judiciary Committee version of S. 1356 as it relates to jurisdiction over all packer wholesaling activities, I shall support the Agriculture Committee proposal, because I deem it imperative that if FTC is not to be given exclusive jurisdiction over meat wholesaling practices of packers, at least exclusive jurisdiction should no longer be lodged in the USDA.

I have already made a number of speeches on this subject, going back over the years to the time when I introduced the first bill relating to it. I do not intend today to restate all the matters of fact and the evidence which I have presented to the Senate during that period of time. The statement I am now making will be more or less of a summary of the other presentations.

As concerns concurrent jurisdiction, while it may result in confusion and inefficiency, such does not have to be the case. For example, both the FTC and the Justice Department have concurrent jurisdiction under the Clayton Act, and as the Chairman of the FTC told the Agriculture Committee, "we get along with Justice very well"—hearings, page 85. There is no reason why the USDA and the FTC cannot develop such a working relationship either, if the Agriculture Committee proposal is enacted into law. Concurrent jurisdiction, as the committee report points out, "is a common aspect of our regulatory system"—page 4.

My major concern is that exclusive jurisdiction over the packer wholesaling activities not remain with the Department of Agriculture. The public has come to expect and demand that Government reinstate, where possible, and maintain by law as much price and product competition as the public interest necessitates in those areas of the economy in which it works badly or where little of it exists.

This public concern is reflected in the platforms of both political parties. It is a matter of bipartisan concern. For this reason, I was happy to join with my colleague the distinguished Senator from Wyoming [Mr. O'MAHONEY] in cosponsoring S. 1356 in the Senate, especially since the USDA's enforcement record indicates in my opinion that jurisdiction over packer meat wholesaling activities should no longer be the exclusive prerogative of that Department.

S. 1356, as amended by the Agricultural Committee proposal, therefore, is designed to prevent unfair trade practices, and other lawful restraints in interstate commerce by persons engaged in wholesaling or distributing meats, meat products, nonmeat food and nonfood products.

The unfair trade practices it is designed to prevent are those which fall short of a Sherman Act violation, and thus do not come under the jurisdiction of the Department of Justice. This it does by amending the Federal Trade Commission Act so as to give to the FTC concurrent jurisdiction over the meat and meat products wholesaling practices of the meatpacking and distributing industry, and by amending the Packers and Stockyards Act so as to eliminate the exclusive authority the USDA has not used to prevent unfair trade practices in connection with such wholesaling activities under title II of that act.

Now a few comments as to what S. 1356 does not do. It does not give the FTC any authority to inspect meatpackers or their operations under the Meat Inspection Act. Contrary to the impression, which some may have, the meat inspectors of the USDA will remain in the Department of Agriculture.

FTC jurisdiction over the wholesaling trade practices of meatpackers begins when the products packers sell enter interstate commerce. Prior to that event the FTC is given absolutely no jurisdiction over packers. The FTC will have absolutely no jurisdiction over the buying and selling of live animals, or their slaughter and processing.

PACKERS AND STOCKYARDS ACT OF 1921

In the years prior to 1921 and before passage of the Packers and Stockyards Act, the FTC's investigation of packers resulted in the filing of antitrust suits by the Justice Department against some five national packers.

Apparently rather than face prosecution, these packers signed a consent decree which since then has prevented them from dealing in 140 food and nonfood products, chiefly vegetables, fruit, fish, and groceries; using their distribution facilities for the handling of any of these 140 products; owning and operating retail meat markets, and dealing in fresh milk or cream. In effect, they agreed to get out of the grocery business.

In 1921, when the Congress was considering passage of legislation to regulate stockyards, the five national packers, who had signed the consent decree, were able to convince Congress that exclusive jurisdiction over trade practices

in that industry should be transferred from the FTC to the USDA.

Regardless of the merits their arguments might have had in 1921, it is evident that 37 years of ineffective administration or nonenforcement of title II renders them completely valueless today. *Experience, in my opinion,* clearly indicates that the Congress made a mistake when it transferred exclusive jurisdiction to regulate trade practices of packers from the FTC, a specialized agency handling antitrust matters, to the USDA.

Mr. President, a review of USDA experience in the administration of the Packers and Stockyards Act will make this conclusion more obvious. In June 1956, Mr. Millard J. Cook, who for 25 years, 1929–55, was employed by the USDA in the enforcement of the Packers and Stockyards Act, the last 10 years of which he served as the head of the unit doing this enforcement work, told the Antitrust and Monopoly Subcommittee:

In the early years of the administration of the act * * * they (USDA) undertook rather extensive studies of the operations of packers * * *. They brought quite a few actions * * *. But at that time they had 150 employees, and took on as many as 30 part-time employees. They had relatively a large appropriation * * *.

From 1921, when the act was passed, up until about 1928 or 1929, they (P & S Administration) were an independent agency * * * and they reported directly to the Secretary of Agriculture * * * in the late 1920's prior to my becoming an employee of the Division, it was made a Division of the old Bureau of Animal Industry. (Transcript, June 28, 1956, pp. 336–37.)

When asked why this transfer of its status was made, Mr. Cook replied:

Well, I know only from comments that I have heard made. I was new in the organization, and the comments that were made were to the effect that the Secretary at the time was not favorable to the act. He disliked the act. * * *

And I think that some of the feeling of Secretary Jardine boiled over into the Bureau of Animal Industry, because thereafter there was not the inclination to go out and initiate investigations of monopolistic practices. (Transcript, June 28, 1956, p. 379.)

USDA HAS NOT SOUGHT ADEQUATE APPROPRIATIONS

In answer to questions of committee members concerning requests for funds made by the Packers and Stockyards Division during the 10 years he was head of it, Mr. Millard J. Cook replied as follows to the Senate Subcommittee on Antitrust and Monopoly in June 1956:

I made many recommendations, yes. I usually met with a pessimistic approach that it was useless to attempt to get any more money and that the explanation given to me was that Congress wouldn't be interested in appropriating more money for us to do a better job than we were doing.

I think you will find in the Department's records that there are numerous recommendations for increased appropriations. There were innumerable oral conferences with my superiors on the need for increased appropriations. * * *

I think there were a few instances in which my immediate superiors recommended increases, but then when it got into the hands of the budget people in the Department, they scaled down those increases. (Transcript, June 29, 1956, p. 366.)

This has been the history of requests made by the Packers and Stockyards Branch for title II enforcement, although some people who oppose S. 1356 have made or tried to make it appear that Congress was responsible. Information supplied me by the Secretary of Agriculture in a letter dated February 4, 1958, substantiate Mr. Cook's observations, that the difficulty has been with the Department of Agriculture not the Congress.

For example, for the 1955 fiscal year, the Packers and Stockyards Branch asked for $767,000, the Agricultural Marketing Service cut this to $667,000, and the United States Department of Agriculture further cut it to $620,300, which sum was approved by the Bureau of the Budget and was appropriated by the Congress.

For the 1956 fiscal year, the Packers and Stockyards Branch asked for $817,000 which the Agricultural Marketing Service cut to $769,700, the United States Department of Agriculture cut to $669,700. This sum was approved by the Bureau of the Budget, and Congress appropriated a like amount. In a supplemental request, the Packers and Stockyards Branch asked for an additional $162,000 and neither the Agricultural Marketing Service or the United States Department of Agriculture would ask Congress to appropriate a dollar of it.

For fiscal 1957 the Packers and Stockyards Branch asked for $831,700. The Agricultural Marketing Service cut it to $819,700, the United States Department of Agriculture further cut it to $775,700 which sum was approved by the Bureau of the Budget. Congress for the first time cut an executive branch request and then by only $6,000, since it appropriated $769,700.

For fiscal 1958 the Packers and Stockyards Branch asked for $1,050,500 which the Agricultural Marketing Service promptly cut to $997,910. The United States Department of Agriculture cut it further to $982,910 and the Bureau of the Budget reduced it to $981,100 and Congress appropriated $803,100, a reduction of $178,000 from what had been asked.

So, year after year this process went on. In recent times a little more was asked for; but Congress has not been derelict and has not refused to give the money. The money was not requested for title II enforcement relating to wholesaling.

Mr. BARRETT. Mr. President, will the Senator yield?

Mr. WATKINS. I yield.

Mr. BARRETT. I am somewhat concerned about the effect of the amendment proposed by the Committee on Agriculture and Forestry, and I should like to address a few questions to the distinguished Senator from Utah.

As I understand, under existing law the Department of Agriculture has exclusive jurisdiction over all transactions of packers in interstate commerce, as defined in the act at this time and will continue to have jurisdiction, but under the amendment proposed by the Senate Agriculture Committee the Federal Trade Commission has concurrent jurisdiction.

Mr. WATKINS. Each has concurrent jurisdiction under the Agriculture Committee amendment. The Secretary of Agriculture still has jurisdiction, but the Federal Trade Commission is to have concurrent jurisdiction with him.

From the report, I shall read a short explanation of the amendment:

(1) The Department of Agriculture shall have exclusive jurisdiction with respect to livestock and poultry through the packing plant, including all transactions in livestock in commerce at posted yards and elsewhere.

That extends their right to go outside posted yards, and to take care of the selling practices involving producers of livestock, and the packers, wherever exchange takes place.

(2) The Federal Trade Commission shall have exclusive jurisdiction with respect to products other than livestock, meats, meat food products, livestock products in unmanufactured form, poultry, and poultry products.

Mr. BARRETT. I understand. Is it the intention of this amendment that the Secretary of Agriculture will have primary responsibility in this field?

Mr. WATKINS. It is not a question of primary jurisdiction, if they both have concurrent jurisdiction. If they have concurrent jurisdiction, both have equal jurisdiction. We have that situation in other instances of Government regulation.

Mr. BARRETT. In other words, each has complete jurisdiction over both fields; is that correct?

Mr. WATKINS. They have concurrent jurisdiction, which means that neither of them have exclusive jurisdiction. They have complete jurisdiction, but it is not exclusive.

Mr. BARRETT. Not exclusive.

Mr. WATKINS. They each have equal jurisdiction.

Mr. BARRETT. Over both retail and wholesale transactions?

Mr. WATKINS. Yes.

Mr. BARRETT. But the Department of Agriculture does have exclusive jurisdiction over livestock transactions in interstate commerce. Is that correct?

Mr. WATKINS. That is right. In the buying and selling department, its jurisdiction goes further than that it had previously. Now it can go into country marketing. The Department of Agriculture has control where the producers sell to the packers, and over anyone buying for processing purposes.

Mr. BARRETT. Which is jurisdiction it does not have now.

Mr. WATKINS. That is correct; they only have it over packers who buy off posted stockyards.

Mr. BARRETT. The concurrent jurisdiction of the Commission and the Department of Agriculture extends only for a period of 3 years; is that correct?

Mr. WATKINS. That is true. That is the clear statement and the undisputed statement of what is meant by the amendment of the Committee on Agriculture and Forestry or concerns the wholesaling trade practices involving

meat and meat food products, and so forth.

Personally I would have preferred what we previously had—that is the Judiciary Committee version. However, the argument was made that it would be just as well to have two guardians to watch the situation. It was said that the Department of Agriculture should be one of those guardians. I do not object seriously to it, because in the past most departments of the Government have been able to get along together. Since the Department of Agriculture has not been doing too much about it, I believe they actually would be glad to have someone else carry the burden.

Mr. BARRETT. As I understand, the amendment offered by the Senator from Illinois [Mr. DIRKSEN] gives primary jurisdiction in the wholesale field to the Department of Agriculture, and primary jurisdiction to the Commission over retail sales, but gives each department the right to go, whenever it is necessary, into the other field.

Mr. WATKINS. I think that is a correct statement, although I have not heard the amendment explained by Senator DIRKSEN. The Senator from Illinois has not yet presented it to the Senate. Is that a correct statement?

Mr. DIRKSEN. Not quite.

Mr. WATKINS. That may not be an exact statement, but I call attention to the fact, and it is interesting to me, that a certain number of packers have entered into a consent decree and agreed not to retail meat. They are the only ones that cannot be touched, because under the consent decree they cannot retail. They must stay in the wholesale field. That still keeps them on the little immunity island which they now have all to themselves. When it comes to wholesaling, they are not bothered at all by FTC, and they cannot retail, unless they can get the court to set aside the consent decree.

The PRESIDING OFFICER. The time of the Senator from Utah has expired.

Mr. WATKINS. May I have an additional 10 minutes?

Mr. O'MAHONEY. I yield the Senator from Utah 10 minutes.

Mr. BARRETT. I wish to ask another question. My distinguished colleague mentioned a moment ago that the Giant Food Stores became the owner of 100 shares of stock in Armour & Co., I believe, and that, as a result, an examiner determined that that qualified Giant as a packer. Do I correctly understand that the decision of the examiner has the force and effect of law?

Mr. WATKINS. It only indicates what the examiner thinks the law is. The question must be determined by the Commission, and finally, must be decided by a Federal court. In the past, when a company bought at least a 20-percent interest, they were considered packers and were in the group of the elite. They were no longer subject to the Federal Trade Commission. By that device, they got out from under the FTC.

Mr. MALONE. Mr. President, if I may briefly interrupt the Senator, let me say that I favor the pending bill as it is being adjusted on the Senate floor to transfer to the Federal Trade Commission a certain amount of the responsibility for regulating the packers of livestock products, so as to make the regulation a joint responsibility of the Federal Trade Commission and the Department of Agriculture.

Mr. WATKINS. Mr. President, for fiscal 1959 the packers and stockyards branch asked for $1,275,500, the AMS reduced this to $1,104,500, which sum was approved by the Department and the Bureau of the Budget. Although the House reduced this by $100,000, the Senate voted to restore it and give the full amount requested.

So, in only 2 years, 1957 and 1958, out of the last 6 years, did Congress appropriate less than the Bureau of the Budget asked for. No, Congress has not been derelict. By and large it has given the USDA exactly what it asked the Bureau of the Budget to approve.

This indeed is a story of lack of concern by not only the superior administrative officers but also by budget officials of the USDA. Consider these facts:

On July 6, 1956, I introduced S. 4187 in the Senate. The Senate Agriculture Committee to which it was referred requested a report from the USDA on July 10, 1956. In the meantime, the USDA's 1958 fiscal year budget request went to the Bureau of the Budget. Its request for new obligatory authority for administration of the Packers and Stockyards Act amount to $178,000 to be used for the purpose of posting additional stockyards under title III—not title II—of the Packers and Stockyards Act. Not one dollar of new obligatory authority was requested by the USDA for expansion of its enforcement activities under title II of that act for the 1958 fiscal year relating to unfair trade practices in wholesaling or merchandising.

Information given the Committee by USDA officials, however, indicated that the Packers and Stockyards Branch requested additional new funds amounting to $200,000 for title II enforcement.

Nothwithstanding this background, the USDA on December 21, after its 1958 fiscal year request had gone to the Bureau of the Budget, rendered a report recommending against enactment of S. 4177. In spite of this negative report on a bill to transfer title II authority back to the FTC, and in spite of the Senate subcommittee's hearings on the meat industry in 1956, the testimony of the USDA before the House Subcommittee on Agricultural appropriations for the 1958 fiscal year, makes it plain that the Department did not, until S. 1356 was introduced, intend to pay more attention to the enforcement of title II.

On February 7, 1957, Mr. Roy D. Lennartson, Deputy Administrator, Agricultural Marketing Service, told the House Appropriations Subcommittee:

> Although we have been criticized recently for not devoting some of the funds under this act to explorations into trade practices on the part of packers and other outside the yards, I think our policy has been sound in attempting first to use our funds to bring the impact or benefits of this act down closest to where the producer can obtain them. (Hearings, part 2, p. 946.)

The Antitrust and Monopoly Subcommittee was told on May 22, 1957, by Assistant Secretary Butz, that the Department of Agriculture would not make a supplemental request for title II funds, but that we also anticipate requesting from Congress additional funds for administrating the act, particularly title II, in our next budget request—hearings, page 368. However, the budget of the United States Government for the fiscal year ending June 30, 1959—page 323—indicates that the requested increase of $225,000 in funds for regulatory activities of the Agricultural Marketing Service would be used to strengthen overall administration of the Packers and Stockyards Act. Then follows a table which, in my opinion, explains what is really meant by strengthening overall administration. The table shows that a total of 546 stockyards were posted and being supervised at the end of fiscal year 1957. It estimates that a total of 606 yards would be posted by the end of fiscal 1958—an increase of 60 yards, and that by the end of fiscal 1959 a total of 736 yards would be posted—an increase of 130 yards over fiscal 1958.

Primarily, the requested increase for fiscal 1959 is to be used, as it was intended last year, for posting and supervising more stockyards.

This is made clear by testimony given by the USDA to the Senate Appropriations Committee only a short time ago. I quote the pertinent part of the hearing record:

> Senator HOLLAND. Will you show for the record how that $225,000 was proposed to be budgeted?
>
> Mr. PAARLBERG (Assistant Secretary). Yes; indeed.
>
> The information is as follows:
>
> "Budget for Packers and Stockyards Act. The $225,000 increase requested for the administration of Packers and Stockyards Act was budgeted to provide an expanded staff for investigative and enforcement work under title II pertaining to buying and selling practices by packers and for posting and supervising stockyards under title III. The equivalent of 13 man-years was budgeted for title II work. Salary, travel, communication, and other costs for this expanded effort are estimated at approximately $100,000. The balance, or approximately $125,000, was budgeted for posting and supervision of an estimated 130 of the additional stockyards eligible under the act which are not currently serviced." (Hearings, pp. 663–64.)

The testimony of Mr. Roy D. Lennartson, Deputy Administrator, Agricultural Marketing Service, on the same occasion also substantiates this fact. With respect to the $100,000 of the requested $225,000 increase to be used for title II enforcement he stated:

> Of this appropriation increase we are anticipating using some $75,000 to $100,000 in this area of trade practices which would not necessarily only be limited to packers, Mr. Chairman. It would be spread over all the buying and merchandising activities of anyone engaged in the procurement of livestock.
>
> This $75,000 to $100,000 of which I speak would be centered largely on these trade practice activities of the packer group and the large livestock buying group at county [buying] points and terminal markets. (Hearings, p. 226.)

In a letter to me dated February 4, 1958, the Secretary of Agriculture stated that:

It is estimated that about 15 percent to 20 percent of the time of all employees [Packers and Stockyards Branch] is now being spent on enforcement of title II compared with approximately 10 percent a year ago. At present, probably one-third to one-half of this time is spent on the trade practices of packers in connection with the merchandising of these products compared with a smaller amount a year ago.

At the most, about 9 percent of the time of the Packers and Stockyards Branch is devoted to title II enforcement relating to packer wholesaling trade practices. Under these circumstances, who can seriously suggest that the public interest can best be protected by letting the Department of Agriculture keep exclusive jurisdiction over packer meat wholesaling practices?

ADEQUATE TITLE II ENFORCEMENT STAFF LACKING

By contrast with the vigorous activities in earlier years under title II, as described by the former head of the Packers and Stockyards Branch, responsibility for prevention of unfair trade practices by meat packers until recently not only under title II but under title III as well here in Washington, D. C., was vested in the Trade Practices Section of the Packers and Stockyards Branch of the Livestock Division of the Agricultural Marketing Service. A separate and specialized Packers and Stockyards Act Regulatory Agency has long since been dispensed with. This Trade Practice Section was staffed by two marketing specialists and a stenographer at the time S. 1356 was introduced. In October 1957, it was renamed the Packer Section.

Neither one of the two marketing specialists who now comprise the Packer Section, or a single employee in any of the 20 understaffed field offices maintained by the Packer and Stockyards Branch, is engaged full-time in title II enforcement.

We must keep that in mind. They have many other activities to perform in connection with the purchasing and processing of livestock, and such activity but they have done very little with respect to the enforcement of the unfair trade practices provision of the act relating to wholesaling.

A review of the USDA's April 4, 1957, self-appraisal report on the Packers and Stockyards Act administration indicates, in addition, as does the Department's appropriation request for both the 1958 and 1959 fiscal years that the great bulk of the work of this packer section and the Packers and Stockyards Branch itself has been and will continue to be spent in title III enforcement—regulation and posting of stockyards. Any action taken under title II as concerns packer wholesaling practices will remain incidental to its title III activities at stockyards.

Mr. REVERCOMB. Mr. President, will the Senator yield?

Mr. WATKINS. I have very little time left. Does the Senator wish to speak on this matter?

Mr. REVERCOMB. I wish to ask a question about the bill.

Mr. WATKINS. I yield.

Mr. REVERCOMB. Perhaps the Senator has discussed this matter, but unfortunately I was called from the Chamber. To what extent does the bill affect poultry and poultry products, or dealers and handlers of poultry, as they are not affected under the present law? Can the Senator state in summary what the bill provides in that respect?

Mr. WATKINS. The licensing provisions will remain in the Department of Agriculture.

Mr. REVERCOMB. Nothing new is added with respect to poultry inspection?

Mr. WATKINS. That is correct.

Mr. REVERCOMB. I thank the Senator.

Mr. WATKINS. These remarks are not to be deemed criticism of the personnel of the packer section or of the Packers and Stockyards branch itself. The personnel of that branch are to be commended for their continued efforts to obtain more funds and to expand their title II activities involving packer wholesaling practices. These remarks however, are meant to be critical of several national administrations, except during periods of price control, for the almost complete lack of action in the past to support the Packers and Stockyards branch and thereby to comply with the Congressional mandate given the USDA in 1921 to prevent unfair wholesaling trade practices in the meatpacking industry. The simple fact is that the Packers and Stockyards branch has not been permitted to obtain an adequate enforcement staff for prevention of unfair trade practices in the merchandising of meat and meat products under title II of the act.

I call attention to the fact that there has not been any activity along this line, and that has been admitted by the Department itself.

At the present time, this agency has exactly 74 professional employees. Thirteen are in Washington, and consist of 2 administrative officers, 7 marketing specialists, 1 engineer, 2 scales and weighing specialists, and 1 tariff or rate specialist.

In the field it has 20 field offices located at stockyards, and a staff of 61 professional employees, which consists of 43 marketing specialists, 3 engineers, and 15 accountants.

The USDA's office of General Counsel has in Washington 5 lawyers, who are devoting their time to the Packers and Stockyards Act, and 7 attorneys who work generally on legal work in this area, Mr. Charles Bucy, Assistant Counsel, told the Senate Agriculture Committee—transcript, pages 172–173. Not one of these even devotes full time to preventing unfair wholesaling trade practices by packers. Their work, by and large, relates to violations of the law in connection with livestock transactions.

This self-appraisal report I have referred to states that "the organization that is maintained in administering the Packers and Stockyards Act permits a high degree of flexibility in planning and conducting major investigations and in meeting the fluctuating demands of different district offices. This is because the entire field force may be actively utilized in such an investigation whenever necessary," page 8.

This statement appears to be a self-directed gratuity rather than a fact, as is revealed by examination of Assistant Secretary Butz and Mr. D. M. Pettus, Director, Livestock Division, Agricultural Marketing Service, before the Senate subcommittee. Consider the following colloquy between those gentlemen and myself:

Senator WATKINS. Mr. Secretary, * * *, is it not true that in the Ogden, Utah, area you have 2 marketing specialists and 1 clerk—3 people to regulate 26 packers in 3 States, 12 of them in Utah, 13 in Idaho, and also 1 in Oregon?

Mr. PETTUS. Those are the people permanently assigned to that location. When we have an investigation underway, we frequently bring in people from other markets and from our Washington area and add to our staff.

Senator WATKINS. If they do not have any bigger staff in other areas than in this, what would you have to enforce the law where you are moving them from?

Mr. PETTUS. We leave a reduced staff.

Senator WATKINS. For instance, in Billings, Mont., you have 1 marketing specialist and 1 half-time clerk, as I get it, to regulate 5 packers in Utah, 3 in Idaho, 2 in Wyoming and 11 in Montana; 21 altogether. How in the world can you take anybody from that area to help somewhere else such as the Ogden, Utah, area if the others are manned in the same way? (Hearings, p. 391.)

At this point, Mr. Butz asked Acting Director Pettus to explain how a case 2 years ago in the Ogden, Utah, area was handled. In part, Mr. Pettus replied:

Mr. PETTUS. I cannot recall at the moment how many people we had looking into the particular transaction, but we try to operate it with as few people as possible because we are spread so thin, Senator. (Hearings, p. 392.)

To this I replied, with the colloquy continuing as follows:

Senator WATKINS. I recognize you are spread thin, and that is our complaint—that you do not have enough force to do the job in title II.

Mr. PETTUS. We agree with you, and I think that is pointed out.

Senator WATKINS. We have not had for nearly 36 years.

Mr. PETTUS. I agree with you, sir.

Senator WATKINS. We think that this is a long enough trial period * * * With all the problems that have been handed to Agriculture, we thought we would certainly find someone who would be glad to get rid of this matter of law enforcement in the field in which the FTC has a special interest by reason of the Act of Congress creating it as an independent regulatory agency—a special arm of the Congress.

Mr. BUTZ. It is quite true for 26 years it has not been adequately enforced, but don't you think when the sinner confesses and resolves to do better he should be given a chance? (Hearings, p. 392.)

That was not a facetious remark, as I remember.

As a confessed sinner, what has the Department of Agriculture actually done since Assistant Secretary Butz said it had resolved to do better? What has it done to streamline its enforcement agency, the packers and stockyards branch, so that greater emphasis can

be put on title II enforcement relating to packer wholesaling practices?

Mr. President, it has not carried out that resolve, because it has not sought the funds to employ enough personnel to do the job.

I do not care to review and rehash matters I have previously brought before this body, in regard to this subject.

However, Mr. President, I should like to point out, in summary, that—

First. Only 92 formal cases, in 37 years, in spite of thousands upon thousands of livestock and wholesaling transactions, have been brought by the Department of Agriculture under title II.

Second. Only 36 formal cease-and-desist orders have been issued to packers under title II in 37 years.

Third. Of the 36 formal cease-and-desist orders issued to packers under title II, only 9 have been issued for unfair trade practices involving the wholesaling or merchandising of meat, meat food products, and so forth.

Fourth. By comparison, the Federal Trade Commission has issued some 5,000 cease-and-desist orders to business firms for unfair trade practices in all fields of business activity. But, as Chairman Gwynne told the Senate Agriculture Committee, "at the present time about 33 percent of all the Commission's investigations are in the field of food marketing and distribution," report, page 10.

Fifth. For these reasons I can only conclude that the United States Department of Agriculture should no longer be permitted to have exclusive jurisdiction over packer wholesaling activities involving meat and meat products, because it has not been doing any better than it did in the past 36 years, since the Congress took interest in this matter again—over two years ago.

The PRESIDING OFFICER (Mr. MORTON in the chair). The time yielded to the Senator from Utah has expired.

Mr. WATKINS. Mr. President, will the Senator from Wyoming yield 1 or 2 additional minutes to me?

Mr. O'MAHONEY. I yield 2 additional minutes to the Senator from Utah.

Mr. WATKINS. I thank the Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Utah is recognized for 2 additional minutes.

Mr. WATKINS. Mr. President, by comparison, the Federal Trade Commission has a staff of more than 700 persons. We asked whether the Federal Trade Commission could enforce the law, if Senate bill 1356 were enacted. Mr. Earl Kinter, general counsel of the Federal Trade Commission, told the Senate Judiciary Committee that the Commission "has personnel trained in the problems which would arise under this proposed legislation, and I am confident that if the Congress sees fit to place this responsibility upon the Commission, its staff is fully able to handle the job and handle it well" (hearings, p. 59).

Mr. President, I yield back the remaining 1 minute which has been yielded to me.

Mr. DIRKSEN. Mr. President, I yield 5 minutes to the distinguished Senator from Kansas [Mr. SCHOEPPEL].

The PRESIDING OFFICER. The Senator from Kansas is recognized for 5 minutes.

Mr. SCHOEPPEL. Mr. President, in the bill, which is a most important measure, I note the provision appearing on page 8, in lines 9, 10, and 11, which apparently expands the jurisdiction of the Secretary of Agriculture over livestock transactions in interstate commerce, so as to cover all such transactions, including those at auction markets and so-called country buying points, whereas presently such jurisdiction—except with respect to packers—is limited to transactions at stockyards of more than 20,000 square feet engaged in interstate commerce.

Subsection (g) makes all stockyards in interstate commerce subject to the jurisdiction of the Secretary of Commerce, by removing the present limitation of 20,000 square feet in the definition of stockyards.

In addition to placing the smaller interstate stockyards under the same regulation as the larger yards, this provision of the bill also would require those engaged in business therein as market agencies or dealers to register with the Department of Agriculture, the same as those in the larger yards.

I do not know whether the members of the Judiciary Committee, in their deliberations on this matter, received any complaints from very many, or any, of the States. But, Mr. President, I wish to say to the other Members of the Senate who today are considering this matter that in my State of Kansas, and, I am sure, in other States, there are scores and scores of auctions that render great service to the livestock industry. Many of those auctions are held perhaps on one day a week or perhaps on 1 day every 2 weeks; and at those auctions many of the patrons sell cattle which never go into interstate commerce.

I wish to direct the attention of the members of the committee and the attention of the other Members of the Senate who today are considering this matter to the fact that I have received from my State of Kansas a very urgent request with reference to the inclusion of this section in the bill. Those who have made the request are objecting to its inclusion. The telegram is dated April 28, after the committee's deliberations on this matter were concluded, and after the report was published.

The telegram reads as follows:

HERINGTON, KANS., *April 28, 1958.*

Hon. ANDREW F. SCHOEPPEL,
United States Senate,
Washington, D. C.:

We respectfully request that you immediately exert all power and influence at your command to defeat the passage of bill S. 1356, Calendar No. 1489, as reported by Mr. HOLLAND as amended by the Committee on the Judiciary and the Committee on Agriculture and Forestry. The amendment starting with line 9 on page 8 as follows: "(G) Section 302 (A) of title III of such act (42 Stat. 163; 7 U. S. C. 202a) is amended by striking out the last sentence thereof."

Here is the pertinent part:

The Kansas Livestock Auction Association finds that the inclusion of livestock-auction markets of less than 20,000 feet is a hardship on over one-half of the livestock-auction sales operating in Kansas and, in our opinion, would be harmful to the entire industry in the State of Kansas. If an honest effort was being made to revise or amend an outmoded inapplicable law which as never created in the first place for public livestock auctions in 1921, it would be one thing, but this amendment only provides to take all of the livestock auctions under the same law that a few are now improperly under. Be advised that the National Marketing Council and the National American Association is not speaking for nor do they represent our association, nor do they speak for the majority of the livestock-auction sales of Kansas. This request is made by unanimous vote of the members of the Kansas Livestock Auction Association assembled at their annual meeting of the association held in Salina, Kans., Sunday, April 27, 1958. Will certainly appreciate your efforts in behalf of the livestock-auction industry of Kansas.

Sincerely,

JOE A. SANDERSON,
President.

NORTON, KANS.

JOHN D. KIRKLAND,
Secretary-Treasurer,
Kansas Livestock Auction Association.
HERINGTON, KANS.

The PRESIDING OFFICER. The time yielded to the Senator from Kansas has expired.

Mr. SCHOEPPEL. Mr. President, will the Senator from Illinois yield 2 additional minutes to me?

Mr. DIRKSEN. I yield 2 additional minutes to the Senator from Kansas.

The PRESIDING OFFICER. The Senator from Kansas is recognized for 2 additional minutes.

Mr. SCHOEPPEL. Mr. President, I am bringing this matter to the attention of the Senate at this time, while the Senate is considering an amendment of this nature, along with others which also are very important, and in some of which I concur.

While I am on my feet, I wish to say that I believe in the principles as set forth in, and as explained in connection with, the amendment of the Senator from Illinois [Mr. DIRKSEN].

I was wondering whether the Judiciary Committee, in its judgment, when it considered this matter, received any objections from any of the auction associations in any of the other States. I should like to address the question to the distinguished Senator from Wyoming [Mr. O'MAHONEY].

Mr. O'MAHONEY. I am happy to reply to the question of the Senator from Kansas.

This provision was initiated by the Senator from North Dakota [Mr. YOUNG]. It was a part of the Young-Carroll-O'Mahoney-Watkins amendment. We accepted the amendment suggested by the Senator from North Dakota [Mr. YOUNG] and the Senator from Colorado [Mr. CARROLL], and were ready to accept it on the floor, if we had gone that far. We did not reach that point because the bill was sent to the two committees for consideration. The Young-Carroll amendment was adopted by the Committee on Agriculture and Forestry. This is the first objection that has come to my attention from any source.

I may say to the Senator that we must bear in mind that we are dealing here with an amendment of the Packers and Stockyards Act, and the title of that act is "An act to regulate interstate and foreign commerce in livestock, livestock products, dairy products, poultry, poultry products, and eggs, and for other purposes."

Under that title, and under the provisions of the act, only auction yards engaged in interstate commerce are affected, regardless of their size. The fact that the limitation of 20,000 square feet was eliminated in the other amendment does not mean any auction yard engaged in interstate commerce is affected.

Mr. SCHOEPPEL. I am glad to have the Senator make that explanation for the benefit of the historical record. I think that is probably where some of the misunderstanding arose.

The PRESIDING OFFICER. The time of the Senator from Kansas has once more expired.

Mr. DIRKSEN. Mr. President, I yield 2 more minutes to the Senator from Kansas.

The PRESIDING OFFICER. The Senator from Kansas is recognized for 2 minutes.

Mr. SCHOEPPEL. I think that is probably why some of the erroneous impressions have been gained. Some persons probably think the provision will apply to all their transactions, intrastate as well as interstate. I think it is most helpful for us to have an explanation in the RECORD at this time. As I said a while ago, I did not know whether any other State association, through its proper representatives, had raised this question.

Mr. O'MAHONEY. None whatever.

Mr. SCHOEPPEL. I thought it was a sufficiently important question to suggest it to the Senate while it is considering other amendments. I thank the Senator from Wyoming and the other members of the committee who have presented the matter for the full consideration which they have given us today.

Mr. O'MAHONEY. Mr. President, in further response to the Senator from Kansas, and speaking in my own time, I should like to call attention to page 4 of the report of the committees submitted by the Senator from Florida [Mr. HOLLAND]. The report is No. 1464.

This is a very brief description of what the amendment does. Of course, the law is so technical that one is not surprised that readers of the bill itself might find it difficult to understand it, but I think the report submitted by the Senator from Florida makes the whole question very clear:

> The amendment of the Committee on Agriculture and Forestry provides that in the field of unfair trade practices covered by the Packers and Stockyards Act, 1921, and the acts administered by the Federal Trade Commission the division of authority, subject to certain exceptions shall be as follows:
>
> (1) The Department of Agriculture shall have exclusive jurisdiction with respect to livestock and poultry through the packing plant, including all transactions in livestock in commerce at posted yards and elsewhere;

Senators can see how carefully the report refers to the expression "in commerce," meaning in interstate commerce.

I resume reading from page 4 of the report:

> (2) The Federal Trade Commission shall have exclusive jurisdiction with respect to products other than livestock, meats, meat food products, livestock products in unmanufactured form, poultry, and poultry products; and
>
> (3) The two agencies shall have concurrent jurisdiction with respect to meats, meat food products, livestock products in unmanufactured form, and poultry products after they have been prepared in form for distribution.

It was in consideration of that statement that I said to the Senator from Florida I felt the Committee on Agriculture and Forestry had done a masterly piece of work in handling the technicalities of this proposed legislation in such form as to make them as clear as possible. The proposal brings together both the Department of Agriculture and the Federal Trade Commission.

Mr. SCHOEPPEL. I appreciate that statement very much. I may say to the distinguished Senator from Wyoming that I know this is a very technical approach, and is susceptible to being misunderstood unless it is given very careful thought and study. In considering some of the troubled situations the explanation will be most helpful as a guide for those who think the measure goes further than it ought to go.

Mr. DIRKSEN. Mr. President, I yield myself 2 minutes, in order to make further reply to the inquiry of the Senator from Kansas.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 2 minutes.

Mr. DIRKSEN. The development of truck transportation has, of course, modified the livestock industry very considerably. For example, I think there are 500 posted auctions today and 500 unposted auctions. Then there is direct country buying. In addition, there are country markets. As I recall, there are some 1,500 unposted country markets today.

One difficulty with the administration of the law has been the limitation of the 20,000-square-foot area, because a market might cover an area less than 20,000 square feet. It might be only 10,000 square feet, or even 5,000 square feet, and do a very considerable business in interstate commerce.

Therefore, in the interest of expeditious and effective administration of the law, I think it was pretty well agreed that the 20,000-square-foot limitation should be stricken from the law.

Insofar as I know, through my membership on the subcommittee, in the hearings before the Committee on Agriculture and Forestry and elsewhere no objection came to my attention with respect to the removal of the 20,000-square-foot limitation.

Mr. SCHOEPPEL. I thank the Senator.

Mr. DIRKSEN. Mr. President, I yield 10 minutes to the distinguished Senator from Nebraska [Mr. HRUSKA].

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 10 minutes.

Mr. HRUSKA. Mr. President, earlier in the day I engaged in some discussion of the pending measure, with particular reference to the background of the proposed act, and especially concerning some of the charges and claims which were made in respect to officials of the Department of Agriculture and others who had been engaged in the administration of the Packers and Stockyards Act. Those remarks on my part were not made in a negative way. After all, there is very little to be gained by recrimination or by trying to fasten blame or by trying to arrive at an alibi of one kind or another. Therefore, I should like to discuss for a few minutes some of my thoughts with reference to what can be done respecting the amendment of the present Packers and Stockyards Act so as to meet properly the essence of the complaints made against it and the inadequacies which have been assigned to it.

It is recognized that there is a need for certain changes in the act to increase the effectiveness of the Federal Trade Commission and the Department of Agriculture in their fields of primary interest. At the present time all activities of meat packing companies are under the exclusive jurisdiction of Agriculture. This includes jurisdiction over many products handled by these firms but not directly related to livestock, meats, or poultry. The Federal Trade Commission, on the other hand, has exclusive jurisdiction over livestock operations of nonpackers in commerce away from posted stockyards. As a result, neither the Department of Agriculture nor the Federal Trade Commission has complete jurisdiction over commodities within their respective fields. To correct this situation the Packers and Stockyards Act should be amended to:

First. Transfer jurisdiction over the practices of meat packers in commerce not related to livestock, meats, meat food products, livestock products in unmanufactured form, poultry or poultry products to the Federal Trade Commission. The Commission already has responsibility over many competing firms in these fields and this would serve to complete its jurisdiction.

Second. Provide for concurrent jurisdiction by the Federal Trade Commission with the Department of Agriculture over retail merchandising of products of livestock and poultry in commerce so the Commission will have complete jurisdiction over competition in the retail field. The Department, however, should retain concurrent jurisdiction of packers' meat and poultry operations at this retail level, because such authority is essential in the regulation of competition in the livestock and poultry fields.

Third. Transfer from the Federal Trade Commission to the Department jurisdiction over livestock marketing transactions in commerce by nonpackers at points away from posted stockyards. This would give the Department complete jurisdiction in the livestock marketing field.

Fourth. Provide authority for the Secretary to delegate to the Commission authority over specific packer activities

when he determines such action to be in the public interest.

Mr. SCHOEPPEL. Mr. President, will the Senator yield?

Mr. HRUSKA. I am happy to yield.

Mr. SCHOEPPEL. I have been listening with interest to the distinguished Senator from Nebraska, and what the Senator has stated is what I had hoped we might arrive at in considering this very important measure. As I view the bill presently before the Senate, it does not accomplish what we desire

Mr. HRUSKA. The Senator is correct.

Mr. SCHOEPPEL. I believe what we need is a practical approach to the matter. I am very glad the Senator from Nebraska is pointing it out distinctly now, because, as I remember from checking the matter, the people with whom I have talked, and many people in my State, favor exactly that type of approach.

Mr. HRUSKA. So does the Senator from Nebraska. In due time the Senator from Nebraska will evidence his views in this respect by voting for the substitute which the Senator from Illinois proposes to offer.

These amendments to the act would aid in efficient regulation of the livestock and meat packing industry by clarifying the areas of jurisdiction between the Department of Agriculture and the Federal Trade Commission. Through these amendments the Department of Agriculture would be able to concentrate its attention under the act to those activities relating to livestock, meats, meat-food products, livestock products in unmanufactured form, and poultry and poultry products. All these directly affect producers. The Federal Trade Commission's jurisdiction would be extended to cover those packer activities relating to other commodities. In addition, it would include on a concurrent jurisdiction basis the retail merchandising of the products of livestock and poultry. Provision is also made for the Secretary to delegate authority to the Federal Trade Commission, which would eliminate the possibility of violators avoiding or delaying prosecution in cases involving borderline jurisdictional areas. There are other strong and important reasons for retention in the Department of Agriculture of jurisdiction over livestock and poultry and their directly related products.

The livestock production, marketing, slaughtering, processing and meat merchandising industries are closely related to and connected with the farm problem and agricultural economy. Farmers depend on livestock for a large percentage of their total income. The Department of Agriculture has many activities and programs in these related fields designed to aid livestock producers in obtaining full value for their products. There is a large fund of knowledge in the Department in these closely related fields that is very useful in enforcement of the Packers and Stockyards Act.

The exercise of jurisdiction by the Department of Agriculture over the marketing of meat is not unique with respect to agricultural commodities or products. The producer's product, whether it be livestock or any other product, must be processed into the form required for merchandising. In the case of livestock, this consists of slaughtering, dressing, and such additional processing as may be necessary to put the meat in the form of salable cuts. In the case of fruits and vegetables, the same end is accomplished by harvesting the fruit or vegetable from the tree or plant, cleaning, sorting, grading, waxing, stemming, chilling, as the case may be, and packing in wholesale packages.

With respect to meat, the Department regulates the unfair practices in the wholesale or retail marketing thereof under the Packers and Stockyards Act if the firm slaughters livestock or processes meat for sale or shipment in commerce. In the case of fruits and vegetables, whether fresh or frozen, the Department, under the Perishable Agricultural Commodities Act of 1930, regulates the trade practices of all persons engaged in handling such commodities either as brokers or dealers, including retail dealers purchasing in wholesale lots, thus including all of the major retail grocery-chain organizations.

It is, therefore, apparent that the jurisdiction with respect to meat is comparable to the Department's jurisdiction with respect to fruits and vegetables except that in the field of meat the jurisdiction is limited to packers, not including wholesalers or retailers who do not slaughter or process meats for sale or shipment in commerce, whereas with respect to fruits and vegetables such jurisdiction is exercised with respect to all persons. The Department's jurisdiction over trade practices is not limited to these two fields. Under other regulatory programs the Department exercises jurisdiction in the field of wholesale marketing of other commodities, including milk, grains, cotton, butter, eggs, insecticides, seed, fungicides, rodenticides, virus serums, and toxins, fats and oils, and wool.

Suppose that several large meat packers agreed with their competitors upon prices at which meat would be sold and attempted to allocate territory for the sale of meats in an area, thereby eliminating competition among them in the marketing of meat. It is a matter of elementary mathematics and economics that once the sales price of a processed or manufactured product is fixed, the price that can be paid for the raw material, in this case livestock, is necessarily the sales price of the end product less the profit margin and the cost of processing and marketing of the product. This collusive practice fixing the price and amount of meat that could be sold by each of the packers would, therefore, automatically restrict competition between these firms for live animals and substantially affect the range of livestock prices by reason of the packers being the major factor on the purchasing side of livestock marketing.

One of the most frequent arguments used by packer buyers in their negotiations with sellers for livestock is that the cattle will be graded a lower grade by the Federal grader at the carcass level than the grade which the seller is contending the cattle will make. Unless the Department of Agriculture has ready access to the records of sale of carcasses by the packers, this unverified claim by the packer could be very damaging to the livestock producers' interests.

Because of the above situation some producers have from time to time sold their cattle on the basis of the carcass grade of the cattle on the rail. Here again, it is obvious that the Department of Agriculture must have access to the meat operations of a packer in order to protect the producers' interests. The above situation becomes even more involved in those instances in which the packer has persuaded the producer to "consign" his cattle and take whatever prices the packer is able to obtain in merchandising the carcasses. The possibility of a packer defrauding the producer by substituting inferior carcasses or by "tying in" the sale of certain inferior carcasses of his own with higher grade carcasses of the producer is quite evident.

Many packers do not slaughter livestock but purchase their meat for processing from other packers. It is entirely possible for packers who customarily compete for livestock for slaughter to avoid this competition through agreement to purchase their meat in carcass form from their competitors. The effect on competition of such relationships is only apparent if both livestock and meat operations can be scrutinized by the same agency.

Meat packers have long contended that the major chains, through their purchase of meat, control to a large extent the prices packers can pay for livestock. In any event, the influence of major chains in the pricing of carcass meats, and indirectly of livestock, is considerable. It is estimated that 25 percent of the total business of the retail food chains is in meat and meat products. If this is true, out of a total of $12.8 billion of meat products sold at retail in 1956, 7 major chains sold more than 20 percent. One chain alone sold nearly 9 percent of all meat sold in the United States, and the top 3 chains sold nearly one-sixth of all meat. The effect of their purchases in such tremendous quantities on livestock prices is necessarily substantial.

All major chain stores process meat and meat food products in varying degrees. In addition, certain of the largest major chains feed, buy, and slaughter livestock and process and retail meats. The effect of trade practices in the integrated operations of such firms on competition at various levels cannot be determined in most instances unless the entire operations of such firms are open to investigation. This situation may become more prevalent in the near future due to the increased attention currently being given to further integration of operations by packers.

The PRESIDING OFFICER. The time of the Senator from Nebraska has expired.

Mr. DIRKSEN. Mr. President, I yield 2 additional minutes to the Senator from Nebraska.

The PRESIDING OFFICER. The Senator from Nebraska is recognized for 2 minutes.

Mr. HRUSKA. Mr. President, the Department of Agriculture has taken the following steps during the past year to bring about more effective administration of title II of the act:

First. Completed, in April 1957, a survey of the work conducted under the act to determine the need for further expansion of investigative activity under title II.

Second. Transferred $20,000 to the Packers and Stockyards Branch in May 1957 to permit expansion of investigation work in connection with enforcement of title II during the remainder of fiscal year 1956–57.

Third. Transferred $75,000 to the Packers and Stockyards Branch in July 1957 for more effective enforcement of title II during the fiscal year 1957–58.

Fourth. Established in late October 1957 a separate Packer Section in the Packers and Stockyards Branch for the specific purpose of improving enforcement of unfair trade practices in the meat-packing industry. This section is to direct investigations in this field conducted by the 20 field offices of the branch. The section is now staffed with three marketing specialists, and a further increase in staff is anticipated.

Fifth. Established in February 1958 in the office of the Director of the Livestock Division, a deputy director who will give overall direction to the administration of this act. Mr. Lee D. Sinclair, formerly Chief of the Packers and Stockyards Branch, has been named deputy director in this new alinement of administrative responsibility.

Sixth. The Department requested $225,000 in additional funds for fiscal year 1958–59 to strengthen the overall administration of the act. This request was approved by the Bureau of the Budget. Of this amount, approximately $75,000 has been specifically earmarked for increased emphasis on enforcement of title II.

Seventh. Increased emphasis has been approved, within the limits of available funds, on the investigation of practices of the meatpacking and merchandising industries at all district offices of the Packers and Stockyards Branch.

The effect of the administrative action on the part of the Department is clearly evidenced by the rapid increase in the volume of work handled under title II of the act, by the Branch during the past year. The number of these investigations under way increased from 17 in April 1957 to 37 in November 1957, 45 in February 1958, and 57 pending on April 15, 1958. During this same period 16 investigations were completed. Eleven formal actions involving meat packers are awaiting hearing on the issuance of final orders. The investigations have been completed in all of these cases, and hearings have been held in several of them. The complaints investigated and settled involved matters ranging from the acquisition of livestock to unfair and deceptive advertising practices. Most of the cases settled were handled on an informal basis without the necessity of resorting to formal hearings. Four formal complaints against meat packers have been settled during this period by an admission of the facts and consent to issuance of cease-and-desist orders. Several major investigations are currently under way involving simulation of Federal meat grades, financial conditions of the meat industry, livestock integration, meat and poultry retail merchandising practices and advertising allowances in the sale of meats and poultry. Most of these investigations are in their initial stages, and are designed to keep the Department informed of current marketing practices and trends in the meat and poultry packing and merchandising industries.

Therefore, Mr. President, as I observed a little while ago, in the light of this type of reasoning and these thoughts, it will be my intention to support the substitute which the Senator from Illinois has indicated he will shortly propose.

Mr. President, I yield the floor.

Mr. DIRKSEN. Mr. President, first I wish to express my real delight to my distinguished friend from Wyoming [Mr. O'MAHONEY] who has, according to his statement on the floor, accepted the Holland proposal in the nature of an amendment to the original Senate bill 1356. I think that is correct; and I wish to complement him for his discernment. If he could muster only a little more discernment and embrace the substitute which I shall offer before this discussion concludes, I should be happy, indeed. In any event, he has come a long way in that direction, and I believe he deserves a compliment for the increasing discernment which he has exhibited.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. O'MAHONEY. I accept the compliment, very modestly. I appreciate the fact that the Senator has paid me that compliment. I say to him that I recognize a good thing when I see it. I have read the Senator's amendment, and I have read the Holland amendment. When I read the Holland amendment I had no doubt that it should be accepted; but when I read the Senator's amendment and heard him discuss it, my mind was filled with doubt, much as I regret to say so.

Mr. DIRKSEN. I have known my distinguished friend from Wyoming for a long time. I know his capacity for increasing enlightenment, and I still nourish the hope that he will go further.

I shall not detain the Senate very long with a discussion of this subject, which has been before the Committee on the Judiciary since last year. There have been long and very interesting hearings. A historical review is scarcely necessary, because I ventilated the subject before the Senate Committee on Agriculture and Forestry when the bill was referred to it for further consideration.

The Packers and Stockyards Act has been on the statute books since 1921, or a period of 37 years. So far as I can determine, in that space of time at least 123 separate and distinct efforts have been made to amend or modify it. Very few amendments, indeed, have been adopted by the Congress. I think that is testimony as to the intent of Congress in the first instance, when the Packers and Stockyards Act was enacted. Congress desired, of course, to vest a large measure of jurisdiction in the Department of Agriculture, so that it could develop an integrated policing operation as well as an investigatory operation, in the interest of the packing industry, in the interest of safeguarding the consumer, and, of course, in the interest of the orderly marketing of meat products.

There have been some changes in conditions since 1921. As I pointed out to my distinguished friend from Kansas [Mr. SCHOEPPEL], there has been a change in direct country buying. I think it accounts for 40 percent of the business today. The number of auction markets has increased. A great many of them are small; but I think there are at least 1,500 which may not be posted. There has been a change in the marketing of livestock as the volume of that business has grown. So I am not insensible of the fact that, as conditions change, so, on occasion, there must be changes in the law. When this subject was before us for consideration I was unwilling to go so far as the distinguished Senator from Wyoming [Mr. O'MAHONEY] and the distinguished Senator from Utah [Mr. WATKINS] would go. They jointly authored Senate bill 1356.

I wish again to compliment the Senator from Wyoming. I thought this subject should properly be considered by the Senate Committee on Agriculture and Forestry. I am not unaware, of course, that in the rule book we employ certain words to indicate the jurisdiction of the respective committees. There is no question that the Committee on the Judiciary did have jurisdiction in this field. But when we examine the subject matter, we find that this question is one upon which the Committee on Agriculture and Forestry should have passed in the first instance. So the Senator from Wyoming very amiably joined in the proposal that the bill go to the Committee on Agriculture and Forestry for further consideration.

I was present at least a part of the time when it was considered. I made what I thought was a rather expanded statement, but the Committee on Agriculture and Forestry, by a vote of 7 to 6, with 2 absentees, finally reported the so-called Holland proposal, which is before the Senate as an amendment to the original amendment to the Packers and Stockyards Act.

It is scarcely necessary for me to go over the ground covered by my distinguished compatriot, the Senator from Nebraska [Mr. HRUSKA]. He has pretty well analyzed the majority report and the views expressed by the minority members of the Judiciary Committee. I shall only skeletonize them.

The majority pointed out that the Department of Agriculture does not adequately enforce the act; that it has the power to use the Federal Trade Com-

mission, but seldom, if ever, does so; that it pleaded a lack of funds as an excuse for nonenforcement; that it had an inadequate staff; that it failed to litigate and therefore failed to develop a body of case law; that it was loath to prosecute, and that it lacked interest in the aggressive enforcement of the act.

I shall make only a single comment on these items. With respect to the alleged failure to litigate and develop a body of case law, I reply that I am a lawyer, but I always hope to avoid litigation. I hope to avoid developing enough case law to fill the Capitol 10 times over, in all the courts of the land in a single year. That is not the purpose of the Department of Agriculture. Its purpose and function is essentially to police the administration of the act, to catch the deceptive and unfair practices before they go so far that there must be litigation. The function of the Department is to caution those involved, and say to them, "Look out; you are overstepping the bounds. If you continue to do so, we shall have to haul you into durance, and deal with you."

The function of the Department is to police the act, through various inspectors and personnel at the yards scattered all over the country, rather than to prosecute. I, for one, would never chide any agency of government for its failure to litigate and develop a substantial body of case law.

We thought there were answers to the argument of the majority. We conceded that there were changes in conditions, and that perhaps there should be some modification of the Packers and Stockyards Act. We pointed out that this operation was an integrated function, which began with the animal and continued all the way through the various processing procedures. We contend that primary jurisdiction should remain in the Department of Agriculture, and that its policy was to police and not to prosecute. We pointed out that the charges which were made—and the Senator from Nebraska has ably belabored that question—have not been substantiated; also that the Department was understaffed.

With respect to that particular item, I pointed out that the Department has 3,500 meat inspectors and 850 poultry inspectors. In order to have an adequate staff, the Federal Trade Commission would have to receive very substantial appropriations from Congress if it were ever to reach that level.

So we thought we had pretty well refuted the case made by the majority. We now come to the question of the three proposals before us: First, Senate bill 1356, as reported to the Senate by the Committee on the Judiciary; second, the amendment in the nature of a complete substitute, offered by the Senator from Florida [Mr. HOLLAND] on behalf of the Committee on Agriculture and Forestry; and third, the substitute which I shall offer.

Let me for the RECORD, more than for any other purpose, indicate what, in my judgment, the original bill reported to the Senate by the Judiciary Committee would have done.

As the Senator from Wyoming so ably points out, it is highly technical. Incidentally, that is one of my pet peeves. No one is chargeable or responsible for it exactly, but I wonder if sometime we will not have to look at the form in which bills are framed. We pick up a bill and it says, "Be it enacted," and so forth, "that paragraph 1 of subsection (a) of section 402 is deleted; that subsection (2) of paragraph 9 of section 926 is modified by striking out the comma and inserting the word 'and'."

To comprehend such bills becomes a real difficulty. To be sure there is a requirement under the rule that in the report the modifications in existing law and the deletions and additions must be shown. However, it still becomes rather difficult, especially when action on a bill has not been completed and there has been no report and no succinct analysis of the existing law and the changes which are proposed.

I defy even myself, oftentimes, to be able to determine what a bill will do. Perhaps, before we become too enmeshed in the legislative process, we will create a special subcommittee to look into the question of drafting bills, so that it will become abundantly clear on first reading what is proposed to be done.

Let us look at S. 1356. It would exclude packers from the interdiction of the Federal Trade Commission Act, so that it will be possible to deal with what is involved in the Packers and Stockyards Act.

The definitions are stricken as not necessary. I do not quarrel with all these proposals, because many of them are appropriate. The title is amended. The commerce provision is amended. There are changes in sections 401 and 403 of the act, to make it conform to the proposed changes. The word "packer" is stricken from section 502. Poultry dealers are brought under the FTC. The net effect is really found in the fact that title II of the Packers and Stockyards Act is, in effect, repealed. That is the real nub of the measure. That is what Senate bill 1356 would do.

What does the Holland substitute do? The Senator from Wyoming has placed it before the Senate very succinctly and very capably. First, it deletes the packers and stockyards exclusion under the Federal Trade Commission Act and gives the Federal Trade Commission jurisdiction of livestock in commerce, and poultry, through the packing plants, including all transactions in livestock in commerce at posted yards and elsewhere.

That is, in substance, the substantial distinction between the O'Mahoney-Watkins bill and the Holland substitute. It leaves title II, but it amends it to make it apply to products. Then it amends title III, to do a number of things. It expands the concept of the marketing agencies to include all those engaged in commerce. It expands the definition of dealers, and States to what extent the term "dealer" shall apply. Then it expands the term "stockyard" and removes the 20,000-square-foot limitation in the existing law. Then it deals with registration. Finally it directs a better liaison between the Federal Trade Commission and the Department of Agriculture.

The effect, as I see it, of course, is to give the Department of Agriculture jurisdiction over livestock and poultry through the packing plants, and in commerce on livestock and products. It gives the Federal Trade Commission exclusive jurisdiction of products other than meat products and related products.

To make sure that it is clear, I believe everyone knows that over the years the packers were providing violin strings, Dutch cleanser, golf balls, and goodness knows what all. There was a great hue and cry about their marketing those products. Since they were packers, of course, they were not subject to the Federal Trade Commission. The Holland substitute provides that the Federal Trade Commission shall have exclusive jurisdiction of products other than meat and related livestock and poultry products. Then, finally, it gives concurrent jurisdiction over meat and poultry products after they have been prepared for distribution. That goes down to the retail level.

In one category jurisdiction is in the Department of Agriculture. In the second category exclusive jurisdiction is in the Federal Trade Commission. In the third category, concurrent jurisdiction is given to the Federal Trade Commission and the Department of Agriculture.

I have proposed a substitute, which I shall presently offer. The substitute is identical with H. R. 9020, introduced by Representative COOLEY, of North Carolina. It was considered by the House Committee on Agriculture, and was approved by a vote of 25 to 2. Last week the House Committee on Agriculture appeared before the House Rules Committee and received a rule to provide for 2 hours of debate. Since H. R. 9020, is on the House Calendar, and a rule for consideration has been issued, that bill, unless all signs fail, will be considered by the House of Representatives.

What does it do? It is very simple. It amends section 202 and inserts "products," so as actually to put the emphasis in the direction of things as distinguished from persons. It is the same as the Holland amendment, in that it expands the general concept of marketing agency and dealer and stockyards so far as commerce is concerned. It contains one provision which does not appear in the other measures, and that is with respect to oleomargarine and retail sales, jurisdiction over which is placed in the Federal Trade Commission.

The difference lies in the fact that at the retail level, the Secretary of Agriculture can request the Federal Trade Commission not only to make an investigation, which is the case under existing law, and make a report, which is the case under existing law, but to institute proceedings, which is an authority not carried in existing law.

I am happier about the Holland proposal, since it was submitted as an amendment to the O'Mahoney-Watkins bill. I merely say to the Senate that the first vote will come on the proposal that I shall offer as an amendment in the

nature of a substitute. I offer the proposal at this time, Mr. President. It may be necessary that the paging be modified, because I have not related it to the new text. Wherever it must appear, I suggest it be modified accordingly. I believe it would be necessary to strike out *all of the* Holland proposal. I offer my amendment as a substitute for that proposal.

The PRESIDING OFFICER (Mr. MORTON in the chair). As the Chair understands, the Senator from Illinois offers his amendment in lieu of the language proposed by the Committee on Agriculture and Forestry for the substitute reported by the Committee on the Judiciary.

Mr. DIRKSEN. Yes. I do not think it is necessary to discuss my amendment any further. The Senate generally is pretty much aware of the equities and the problems involved. I would add only one other statement. The Department of Agriculture, so far as I know—I certainly cannot speak for them officially, although I have had frequent liaison with the Department of Agriculture, and I am therefore pretty confident about this—would prefer the substitute which I am now offering. I believe I can say advisedly that this would meet the desire of the American Farm Bureau Federation. I believe it would meet the desires of the National Independent Meat Packers, which is an association, if I remember correctly, of about 1,500 small packers. I think it meets the desires of the large packers. Furthermore, I think it is more nearly in line with the testimony received from a good many of the associations throughout the country, including the cattle raisers.

With that statement, I conclude my remarks. I submit my amendment as a substitute for the Holland amendment.

The PRESIDING OFFICER. The substitute amendment will be stated for the information of the Senate.

The LEGISLATIVE CLERK. It is proposed to strike out all after the enacting clause, and insert in lieu thereof the following:

That the Packers and Stockyards Act, 1921, as amended (42 Stat. 159, as amended; 7 U. S. C. 181 and the following), is amended as follows:

(1) By amending section 202 by inserting after the word "unlawful" the words "with respect to livestock, meats, meat food products, livestock products in unmanufactured form, poultry, or poultry products."

(2) By amending section 406 by inserting after the word "except" where it first appears in subsection (b) the words "with respect to margarine or oleomargarine and retail sales of any commodity, and except."

(3) By further amending section 406 by inserting a comma in lieu of the period at the end of subsection (b) and adding the following: "or in any case where the Secretary determines it to be in the public interest for the Federal Trade Commission to institute a proceeding under this act, in which case the Commission shall have authority to exercise in connection therewith all the powers, functions, and authority of the Secretary under this act, and the Secretary's determination in such instance shall be final."

SEC. 2. Said act is further amended—

(1) by striking out the words "at a stockyard" from sections 301 (c) and 301 (d);

(2) by striking out the last sentence of section 302 (a);

(3) by inserting after the first sentence in section 303 the following sentence: "Every other person operating as a market agency or dealer as defined in section 301 of the act may be required to register in such manner as the Secretary may prescribe.";

(4) by amending section 311 by striking out the words "stockyard owner or market agency" wherever they occur and inserting "stockyard owner, market agency, or dealer" and by striking out "stockyard owners or market agencies" and inserting "stockyard owners, market agencies, or dealers"; and

(5) by striking out the words "at a stockyard" from section 312 (a).

SEC. 3. Subsection 6 of section 5 (a) of the Federal Trade Commission Act (15 U. S. C. 45 (a) (6)) is amended by striking out "persons, partnerships or corporations subject to the Packers and Stockyards Act, 1921, except as provided in section 406 (b) of said act", and substituting therefor the following: "matters made subject to the Packers and Stockyards Act, 1921, as amended, except as provided in section 406 (b) of said act."

Mr. MURRAY. Mr. President, will the Senator from Wyoming yield 5 minutes to me on the bill?

Mr. O'MAHONEY. Mr. President, I yield 5 minutes to the Senator from Montana on the bill.

Mr. MURRAY. Mr. President, both the production of livestock and meat packing are important industries in Montana, so I have a major interest in the bill now before the Senate.

S. 1356 will, in my opinion, be of material help to the producer. Specifically, the Carroll-Young amendment, which has been accepted as a part of S. 1356 as it is now before the Senate, provides the livestock producer much greater protection from unfair and discriminatory practices than he now has under the Packers and Stockyards Act. Title II of the Packers and Stockyards Act transfers jurisdiction over unfair trade practices in the sale and distribution of meat and meat food products from the Federal Trade Commission and places it exclusively under the jurisdiction of the Secretary of Agriculture. This has had the practical effect of not only exempting this important industry from the antitrust laws, but also providing an exemption for giant chain stores and other businesses which invested in small packing operations. S. 1356 would correct this legislative error.

Those who drafted the Packers and Stockyards Act drew a very broad definition of who were to be considered packers and thereby subject to regulation by the Department of Agriculture. Under this definition, a company owning 20 percent of the voting power or control of a packing business was a packer. A Federal court held in 1940, in the case of United Corporation against Federal Trade Commission, that a company engaged in the marketing of canned meat products and which, after an FTC complaint charging misleading advertising practices was issued, acquired a packing plant was not subject to FTC jurisdiction because it thereby qualified as a packer under the Packers and Stockyards Act. Because of this judicial precedent, the Federal Trade Commission has been forced to rule in the same way. The Carnation Milk Co. was removed from FTC jurisdiction when it acquired a small meatpacking operation. Wilson & Co.'s sporting goods was declared not subject to regulation by the Commission because it was classified as a packer. A complaint involving Armour & Co.'s advertising representations concerning its oleomargarine was dismissed for the same reason. A number of other complaints have met with a similar fate.

In a very recent case, Federal Trade Commission against Food Fair, a grocery chain, the chain avoided FTC action by showing it was in the packing business. The fact that the packing plant did only a $25 million annual business as compared with the Food Fair overall total of $475 million had no bearing on the matter, it was argued. The examiner upheld this argument and ruled that the Federal Trade Commission had no power to act.

Finally, on April 17, 1958, only last month, Examiner Hier, of the FTC, in the case of Giant Food Shopping Center, Inc., ruled that the purchase 100 shares of Armour & Co. stock by a large chainstore brought the grocery chain within the definition of a packer under the Packers and Stockyards Act, and removed the company from FTC jurisdiction. It is obvious that if this interpretation is upheld, any business, regardless of its primary interest, can escape FTC jurisdiction at will by establishing a little packing subsidiary, or buying stock in one that already exists. Under such circumstances, of what use will the FTC be?

Among other questions, one interesting point this decision raises is whether a company which has removed itself from FTC jurisdiction by the simple expedient of purchasing a stock interest in a packing plant may likewise remove itself thereafter from the jurisdiction of the Secretary of Agriculture by selling the same stock when the Secretary commences proceedings against it. Could this company by the process of buying and selling stock frustrate all efforts by all agencies to make it conform to the laws designed to prevent unfair trade practices?

I have also in mind the possibility that the Federal court may grant the motion by the three large packers, now subject to a 1920 consent decree, that they be allowed to go into the grocery business. If this should occur, they undoubtedly would do so and might quickly become grocery chains in themselves. Since they are clearly packers under the Packers and Stockyards Act, their activities as chain groceries would not be subject to Federal Trade Commission jurisdiction under the Food Fair decision. S. 1356 would correct this condition.

Another thing to keep in mind is the cost to the taxpayer of any sincere and honest attempt by the Department of Agriculture to enforce all of the unfair-trade-practice provisions of the Packers and Stockyards Act as it is presently written. The Federal Trade Commission has a staff of 720 persons and a budget of more than $4 million which is devoted to just this sort of regulation in much of the rest of American industry. It would take a very large staff and a not inconsiderable appropriation for the Department of Agriculture to enforce all of these provisions properly against the meatpacking industry.

It is my belief that transactions involving the live-animal or live-poultry business are best regulated by the Department of Agriculture. I want to reiterate, for purposes of absolute clarity, that S. 1356 as it is at present before us would take nothing in this area of commerce away from the Secretary's jurisdiction. The definition of stockyards has been broadened. The Secretary is given jurisdiction over certain livestock transactions at the point of sale, regardless of whether it occurs in the stockyard or in the producer's barnyard. Also, he can require persons operating off the stockyard to register in such manner as the Secretary may prescribe. These measures should materially help the livestock raisers.

If we are determined to secure effective and realistic antitrust enforcement, S. 1356 is, in my opinion, the most desirable way to do it. We must not permit ourselves to continue to provide a haven from surveillance for all those who, for selfish reasons, may desire to be exempt from Federal Trade Commission jurisdiction.

I thank the Senator from Wyoming.

The PRESIDING OFFICER. The Chair announces that the Senator from Illinois has 44 minutes remaining on the bill, and that the Senator from Wyoming has 37 minutes remaining on the bill.

The substitute offered by the Senator from Illinois is now pending. Thirty minutes has been allotted to each amendment, 15 minutes to be controlled by each side.

Mr. O'MAHONEY. Mr. President, I yield 15 minutes to the Senator from Utah on the amendment.

Mr. WATKINS. Mr. President, the proposal now before us was not discussed by the Judiciary Committee. It was not proposed by any witness to the subcommittee, including the AMI and the USDA, both of which originally supported the May 20, 1957, Dirksen amendment. It should be rejected by all means.

While it represents somewhat of an improvement over the original Dirksen amendment, which a minority of the Judiciary Committee felt would be adequate, it still does not afford the public adequate protection as does S. 1356, since S. 1356 requires that all wholesaling activities of packers—not merely those involving nonmeat food and nonfood products, but also their meat and poultry products—be made subject to the jurisdiction of the FTC. Contrasted with this proposal now before us, S. 1356 provides the protection the public interest warrants and requires, but which it has not had for 37 years.

Mr. President, effective administration of laws to prevent unfair competition in the meatpacking business can only be achieved if there is an adequate law, an adequate staff of investigators, economists, marketing specialists, and lawyers, who are capable of gathering evidence that will stand up in court, and a real desire to enforce the law.

Because the amendment does not meet these requirements, it should be rejected by the Senate. Let us examine the amendment in light of these three criteria.

The amendment will not provide an adequate law; S. 1356 does provide one.

The amendment would leave under the jurisdiction of the USDA authority to regulate the wholesaling trade practices of meat packers in connection with meat, meat food products, livestock products, poultry and poultry products, and eggs. The evidence presented to the Judiciary and Agriculture Committees indicate that merchandising activities in connection with these products, as well as with respect to nonmeat food and nonfood products, should be subject to regulation by the FTC.

Here are the facts upon which this contention is based:

First, the amendment provides for divided jurisdiction between the USDA and the FTC over the merchandising or wholesaling trade practices of meat packers.

Although the amendment would return to the Federal Trade Commission, jurisdiction over the wholesaling activities of a packer in connection with nonmeat food and nonfood products, it would permit the United States Department of Agriculture to continue to exercise exclusive jurisdiction over wholesaling of meat and poultry products by a packer, as defined by the Packers and Stockyards Act. With the Holland amendment, if it were adopted, there will be concurrent jurisdiction in these fields between the Federal Trade Commission and the Department of Agriculture.

It seems absurd to have two agencies; one, the Federal Trade Commission, established by Congress to regulate trade practices in interstate commerce, and one, the Livestock Division of the United States Department of Agriculture's Agricultural Marketing Service, which is not an enforcement agency, regulate the trade practices of meatpackers with jurisdiction depending upon the products sold. This, on the face of the matter, is duplication of the worst sort and ought to be prevented, since it violates sound principles of organization and can only result in confusion and ineffective overall regulation.

Why, for example, should the wholesaling of meat by firms such as Swift, Armour, Wilson, Cudahy, and others, be regulated by the United States Department of Agriculture, and their wholesaling activities in connection with cheese, canned milk, vegetable soup, glue, ice cream, canned baby foods, salad oils, confectionery products, and so forth, be under the jurisdiction of the Federal Trade Commission?

Why should nonpacker firms which wholesale meats, meat food products, poultry, poultry products, or eggs, be under the jurisdiction and more effective regulation of the Federal Trade Commission, while their packer competitors, many of whom qualify under the Packers and Stockyards Act as packers by acquiring a 20 percent interest in a packing plant, be permitted to enjoy an atmosphere of relative nonenforcement, which for 37 years has characterized United States Department of Agriculture administration of the merchandising provisions of title II of the Packers and Stockyards Act?

I may say again, for the benefit of Senators who are not in the Chamber, that it was admitted outright by representatives of the Department of Agriculture that for 37 years title II had not been enforced by the Department. There cannot be any argument about that, because the persons who are best informed are those who are enforcing the act, and they admitted frankly that title II had not been enforced.

Where is the equity in the sort of administrative arrangement which this amendment would perpetuate?

Division of jurisdiction also would create numerous practical problems. For example, the wholesaling of tomato soup by Campbell Soup Co., a meatpacker under the law, would be subject to the jurisdiction of the FTC; but which agency would have jurisdiction over the wholesaling of Campbell's chicken noodle soup? Is chicken noodle soup a soup or a poultry product?

Suppose a packer ships in interstate commerce a mixed carload composed of meat products and nonmeat food products to a customer. If it were charged by a nonpacker competitor that an unfair trade practice was involved in the transaction to which agency would he take his complaint? To the FTC or the USDA?

Suppose the USDA did begin to enforce title II of the Packers and Stockyards Act, if this amendment were enacted. Think of the bureaucratic duplication which would result. Two agencies, operating under two different laws trying to prevent unfair wholesaling trade practices which fall short of Sherman Act violations, on the part of the same firm, but with respect to different products which the firm sells.

The USDA for 37 years has not exhibited any real intention of preventing unfair trade practices by meatpackers in the wholesaling of meats, meat food products, poultry, poultry products, eggs, nonmeat food products and nonfood products. During this period of 3½ decades, that Department has issued exactly 9 cease and desist orders against packers for engaging in unfair trade practices in the wholesaling of meat and meat food products. Except for one issued in December 1957, the last one before that was issued in 1938—20 years ago. By docket number, those 9 cease and desist orders are identified as follows: No. 418—1933, No. 419—1933, No. 420—1933, No. 440—1936, No. 476—1938, No. 470—1935, No. 477—1938, No. 580—1938, and No. 2272—1957. In light of this paucity of cease and desist orders, when coupled with no real effort by the USDA to acquire an enforcement staff, how can anyone seriously propose this amendment as a means of providing effective prevention of unfair trade practices by packers in the wholesaling of meat and poultry products?

I cannot understand why the big packers, represented by the American Meat Institute, are the principal opponents of this measure, if they have nothing to fear. If they are already subject to effective enforcement—which is all they

would be subjected to under the provisions of this bill—why should they be opposed to the bill?

By comparison, the Federal Trade Commission has issued some 5,000 cease and desist orders to business firms—which cannot qualify as packers and thus escape that agency's jurisdiction—for engaging in unfair trade practices. Based upon this record of comparative enforcement, it is not difficult to see why the big packers are supporting the amendment now before us, since with respect to the products which provide the bulk of their sales, their wholesaling practices remain subject to the USDA's exclusive jurisdiction.

On the other hand, the great majority of the food-industry spokesmen who testified before the Antitrust and Monopoly Subcommittee filed statements with the subcommittee, or have indicated their feelings more recently on this matter, have urged that Senate bill 1356 be enacted. Why? Because it would give the FTC jurisdiction with respect to the wholesaling or merchandising activities of all firms in the food industry regardless of the products sold in interstate commerce. In a few words, Senate bill 1356 would subject all firms to one law—one set of trade-practice standards, administered by one agency which has no responsibility except law enforcement.

This group includes the following national organizations:

National Federation of Independent Business, Inc.

National Association of Retail Grocers.

United States Wholesale Grocers Association.

National Food Brokers Association.

National Retail Dry Goods Association.

National Fisheries Institute.

Cooperative League of the United States.

National Renderers Association.

National American Wholesale Grocers Association.

National Candy Wholesalers Association, Inc.

National Preservers Association.

Cooperative Food Distributors of America.

I may say that in my own State, the Cattlemen's Association favors the enactment of Senate bill 1356; and the Wool Growers Association, the State Farm Bureau, and the Farmers Union also favor the enactment of this bill. All the farm groups in my State favor the enactment of this measure. Their endorsement has some significance, because they are the ones who produce these products and who believe there have been unfair trade practices, and that the Department of Agriculture has not taken care of the situation as it should have done.

I say very frankly that this is not an undue criticism of Secretary Benson. The people of my State have the highest regard for him and for his purposes with respect to agriculture. In the main, they support him; I was going to say they support him nearly 100 percent.

But in this case they cannot see eye to eye with his Department, and its position that it should not surrender jurisdiction, or that at least there should not be concurrent jurisdiction with the Federal Trade Commission, over the large packers.

The only group that does not engage in the retail business is the group that is subject to the consent decree—the group composed of the Swift, Armour, Cudahy, and Wilson companies. I think they are the ones that are subject to it. They are the principal ones that will be left unregulated if the Dirksen amendment is adopted.

The firms which many of these trade associations represent must compete with meatpackers in the wholesale and merchandising of meat, meat food products, poultry, and poultry products. They deem it grossly unfair for them to be subject to a rigidly enforced set of trade-practice rules by the FTC in selling these products, while any firm which owns even a 20 percent interest in a meatpacking firm would be subject to the Packers and Stockyards Act and would be able to enjoy a scope of freedom which nonenforcement by the USDA of a regulatory statute makes possible.

Do the big packers and the AMI, their lobbyist, appreciate this situation? Do they know a good thing when they see it? Certainly they do; and they intend to keep all of it for themselves, if they can.

Consider the following statement made by Mr. J. M. Foster, an AMI official, to the 1956 AMI convention membership:

> Certainly, the problems of the industry and those of agriculture generally will not receive as sympathetic treatment from the FTC as we have come to expect from the Department of Agriculture. It looks as though we have a fight on our hands, and you can bet that the Institute is going to pursue this one through to the limit of our abilities. (The National Provisioner, Oct. 13, 1956, p. 192.)

Sympathetic treatment apparently is equated with nonenforcement; and that goal is to be pursued by the big packers, through the AMI, to the limit of their abilities. Thus their support of the amendment under debate.

Mr. President, House bill 9020 is detrimental to producers and consumers. Livestock producers probably can expect to receive lower prices than otherwise would prevail, if the FTC is not given jurisdiction over trade practices in connection with the wholesaling of meats, meat products, and so forth, as well as other products, that is to say, over the long pull. There may be periods and times, as at present, when prices will go up. But in the long run of operations in the future, in my humble opinion, as one who used to be engaged somewhat in the livestock business, it will be far better for this industry to have the markets for meat and meat products stabilized under fair-trade practices; then they will be far better off than they would be under the situation which exists at this time.

There are times when the market runs away in one direction, and at other times it runs away in another direction. But the present tendency, because of nonenforcement of title II, unfair trade practices must be brought under control—and that is why the western meat packers are complaining—is gradually to eliminate some of the competitors in this business.

For this reason also, it is not unlikely that consumers, who now spend nearly 7 percent of their incomes, for these products, can expect to pay higher prices than otherwise would prevail if the FTC is not given at least concurrent jurisdiction.

With the continued increase in the price spread between what producers get, and what consumers pay, there is need for effective regulation which will eliminate any of that spread due to packer unfair trade practices, which, in turn, may eliminate their competitors, and thus may give a smaller number of firms more control over the prices packers pay for live animals and the prices they charge for meat and meat food products. The law of supply and demand must be permitted to operate. This is the objective of the antitrust laws, and this is the goal of enforcement agencies.

It is not unlikely that failure by the USDA to enforce title II of the Packers and Stockyards Act has resulted in increased concentration in the meatpacking industry.

I told the House Agriculture Committee, when I appeared in opposition to House bill 9020, which in substance is identical to the amendment now before us, that:

> By contrast with several million livestock producers on the sellers side of the market, we find on the buyers side only a few hundred meatpackers operating in interstate commerce and thus subject to Federal meat inspection.

Mr. President, in connection with my use of the words "several million livestock producers," I wish to call attention to the fact that the livestock producers are no longer confined to the Western States; at the present time, practically every State of the Union has within its borders persons who are engaged in the production of livestock. It would seem that the livestock producers have moved east, and now are to be found in every State in the Union. I must admit that I am somewhat surprised to see so many of the producers located in the Eastern and Southern States, including the States along the Atlantic coast. That development shows that every one of the States in the Union, or practically every one, is now vitally interested in this matter.

I read further from my testimony before the House Committee on Agriculture:

> But, whatever implied favorable implications the existence of a few hundred such packers has of competitive bidding, they are considerably reduced and brought into proper perspective by this fact: 10 national packers slaughter approximately 50 percent of the cattle, 66 percent of the calves, 70 percent of the hogs—

No matter how many hundreds the small packers are said to slaughter—

> and 77 percent of the sheep and lambs coming under Federal meat inspection.
>
> Even when total commercial slaughter figures are used, it is evident that a few firms are developing stronger market dominance. Contrary to the data contained in the April 4, 1957, report of the USDA on the adminis-

tration of the Packers and Stockyards Act, the percent of total commercial slaughter of several species by the big 4 and 15 packers is on the increase. Information supplied me under date of April 15, 1957, by Assistant Secretary Butz, supplemental to this report, indicates that the percent of total commercial slaughter of hogs, which provide farmers 10 percent of their incomes, by the big 4 overall packers increased 2 percent from 1953 to 1955. In 1953, they slaughtered 39 percent of the hogs; in 1955, 41 percent, although the table on page 11 of that report had indicated a decline of 1 percent during the period 1953–55.

And instead of the big 4 slaughtering 58 percent of the sheep and lambs in 1955 as shown in the table on page 11 also, this letter from Secretary Butz reveals that they actually slaughtered 59 percent—a 1 percent increase over that indicated in the table. The table on page 12 of this report indicates that the biggest 15 firms slaughtered a larger percentage of the total commercial slaughter of calves and hogs in 1955 than they did in 1950.

So whether we view it from the standpoint of federally inspected slaughter or total commercial slaughter, it seems that at least for some major species, market domination by a few firms continues to grow.

How much of the price spread on meat and related products is due to increased concentration is not known. But it seems reasonable to assume, based upon 37 years of USDA nonenforcement, that adequate steps will not be taken to prevent unfair trade practices which have led to the present degree of concentration and control over prices by a few packers, until such authority is returned to the FTC.

The same concern has been expressed by the following producer and consumer organizations, which have indicated support of legislation which would give the FTC at least concurrent jurisdiction over trade practices of packers involving the wholesaling of meat and meat products, as well as nonmeat food and nonfood products:

Farm organizations: National Milk Producers Federation, Nevada Farm Bureau Federation, National Wool Growers Association, Utah Farm Bureau Federation, National Farmers Union, Utah Farmers Union, American National Livestock Auction Association, National Farmers Organization, River Markets Livestock Group, Montana Cattlemen's Association, Wyoming Stock Growers Association, Iowa Swine Producers Association, Georgia Dairy Association, Idaho Wool Growers Association, Pure Milk Association, Utah Wool Growers Association, Utah Cattle Growers Association, and Wyoming Wool Growers Association.

Consumers: Cooperative League of the United States.

USDA HAS NOT BEEN CAPABLE OF EFFECTIVE PREVENTION OF UNFAIR TRADE PRACTICES BY PACKERS; FTC IS CAPABLE OF PROVIDING SUCH ENFORCEMENT

Responsibility for prevention of unfair trade practices by meatpackers until recently, not only under title II, but under title III, as well, here in Washington, D. C., was vested in the Trade Practices Section of the Packers and Stockyards Branch of the Livestock Division of the Agricultural Marketing Service. A separate and specialized regulatory agency for the administration of the Packers and Stockyards Act has long since been dispensed with. This Trade Practice Section was staffed by two marketing specialists and a stenographer at the time when Senate bill 1356 was introduced.

Not even one of these two marketing specialists, who now comprise the Packer Section, as it is now called, or a single employee in any of the 20 understaffed field offices maintained by the Packers and Stockyards Branch, is engaged full time in title II enforcement as concerns packer wholesaling trade practices. A review of the USDA's April 4, 1957, self-appraisal report on the Packers and Stockyards Act administration indicates that the great bulk of the work of this section and of the work of the Packers and Stockyards Branch itself—nearly 90 percent—is spent in posting and regulating stockyards under title III. It appears evident that whatever title II enforcement is carried out with respect to the wholesaling trade practice provisions of that title is incidental to the title III work of the Packers and Stockyards Branch.

The PRESIDING OFFICER. The time yielded to the Senator from Utah has expired.

Mr. O'MAHONEY. Mr. President, all time under my control on the amendment has been used.

Let me ask whether the Senator from Utah requires some time on the bill.

Mr. WATKINS. I should like probably 2 minutes more.

Mr. O'MAHONEY. Mr. President, I yield the Senator from Utah 2 minutes on the bill.

The PRESIDING OFFICER. The Senator from Utah is recognized for 2 minutes.

Mr. WATKINS. Effective regulation precludes utilizing divided jurisdiction based on products sold in enforcement work. In 1921, when our predecessors were debating passage of the Packers and Stockyards Act, this very point was raised by Senator Norris, in connection with an amendment which would have divided jurisdiction between FTC and the USDA on the basis of products sold, as in the present instance. I am not talking about concurrent jurisdiction; I am talking about jurisdiction being divided on the basis of products sold.

Here today, some 36 years later, his words of counsel are just as appropriate. He stated on that occasion:

> I appeal to Senators; you may be against this bill, you may not want any investigation, you may not want anything done with these packers, or with any business that is allied with them; but you must admit that, if you do want it done, you want it done right, and it would be perfectly foolish, it seems to me, to give the Federal Trade Commission * * * authority to investigate part of these products clear through to the end, and authority for other products only part way, or authority for part of the products under one law, going in this direction, and authority to investigate the byproducts which are in use for food going in the other direction (CONGRESSIONAL RECORD, June 17, 1921, p. 2702).

I can only echo his words: The right way to do it, if it is to be done at all, and I believe it should be done, is to pass S. 1356 with the Agriculture Committee amendment.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. WATKINS. May I have an additional one-half minute?

Mr. O'MAHONEY. I yield one-half minute to the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah is recognized for one-half minute.

Mr. WATKINS. No meatpacker, be it a large or a small one, has anything to fear if S. 1356 is enacted, unless its present wholesaling trade practices do not conform to the norms of fair business conduct contained in the FTC Act. If they do not so conform, they should be stopped. Return of this authority to the FTC, as provided by S. 1356, with the Holland amendment, will insure this desirable result.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. DIRKSEN. Mr. President, about the only rejoinder I should like to make to my esteemed friend from Utah [Mr. WATKINS] is with respect to whether there have been laches and lack of aggressive effort on the part of the Department of Agriculture with respect to enforcement.

In the course of the hearing before the Senate Committee on Agriculture and Forestry, the Senator from Florida [Mr. HOLLAND] made some inquiry with respect to, first, the number of requests for investigation under section 406 of the act, addressed to the Federal Trade Commission by the Department; second, a statement of administrative proceedings prosecuted by the Department; and third, the number of cases referred to the Department of Justice.

I am concerned only with item 2, since it is directly responsive to the observation made by the Senator from Utah.

The Department did respond, Mr. President, and there appears, on pages 13, 14, and 15 of the hearings before the Committee on Agriculture and Forestry, a list of formal administrative cases under title II of the Packers and Stockyards Act. They are docketed cases and, insofar as I can tell, there must be at least 100 or more.

Mr. President, I have prepared a brief statement on the record of the Department of Agriculture in its enforcement program of the Packers and Stockyards Act and other material that will be of significance in the debate on the packers and stockyards bill, known as S. 1356 and amendments. I ask unanimous consent that this statement may be placed in the body of the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR DIRKSEN

The Senate will begin discussion on the amendments to the Packers and Stockyards Act in S. 1356, known as the O'Mahoney-Watkins bill and the Dirksen amendment to S. 1356, which is comparable to the Cooley bill on the House side, which is known as H. R. 9020. This statement will refer primarily to the enforcement record of the Department of Agriculture and bringing in a few instances of Federal Trade Commission enforcement.

The proponents of S. 1356, the O'Mahoney-Watkins bill, have made much to do of the fact, as stated on page 7 of their majority

report to the Senate Report No. 704, as follows: "Few cease-and-desist orders under title II have been issued against companies in the meatpacking industry." However, let us look at the record which was submitted to the joint hearing before the Committee on Agriculture and Forestry and the Subcommittee on Antitrust and Monopoly of the Committee on the Judiciary of the United States Senate when the Senator from Florida [Mr. HOLLAND] said:

"I have asked for a list of referrals for prosecution under the antitrust laws and under title II, so we'll have a clear picture of any requests from the Department of Agriculture to the Department of Justice in this field."

This request came as a result of the statement of the Senator from Utah [Mr. WATKINS] that:

"We have been advised that there have never been any requests from the Department of Agriculture to the Department of Justice in this field."

The request of the Senator from Florida [Mr. HOLLAND] was made to Mr. Charles W. Bucy, Assistant General Counsel, Department of Agriculture, and his statement and list of formal administrative cases under the Packers and Stockyards Act are as follows:

UNITED STATES DEPARTMENT OF AGRICULTURE,
OFFICE OF THE COUNSEL,
Washington, D. C., April 18, 1958.

Hon. SPESSARD L. HOLLAND,
United States Senate.

DEAR SENATOR HOLLAND: As chairman of the joint executive session of the Committees on the Judiciary and Agriculture and Forestry on April 17, 1958, to consider S. 1356, you requested that there be furnished for the record certain information as follows: (1) The number of requests for investigation under section 406 of the Packers and Stockyards Act, 1921, addressed to the Federal Trade Commission by the Department of Agriculture; (2) a statement of administrative proceedings prosecuted by the Department of Agriculture against packers under title II of the act since its enactment; and (3) the number of cases referred to the Department of Justice for action involving trade or monopolistic practices of packers covered by title II of the act.

With respect to item (1), the records of the Department disclose no requests for investigation under section 406 having been made of the Federal Trade Commission.

With respect to item (2), there is enclosed a tabulation of the formal administrative proceedings instituted under title II of the act, indicating the nature of violation involved and the disposition and date thereof.

With respect to item (3), because of the period covered, 1921 to 1958, full and complete records are not available covering the field of this request. Such examination of accessible records as the limited time available has permitted discloses no requests to the Department of Justice for the institution of action under section 205 of the act for a violation of a cease-and-desist order by a packer. The record examination referred to covers the period from 1940 to date.

On August 12, 1937, the Department instituted BAI Docket No. 909, an administrative proceeding under title II of the Packers and Stockyards Act against Armour & Co., the Cudahy Packing Co., Swift & Co., Wilson & Co., Fort Worth Poultry & Egg Co., Western Produce Co., and the Amarillo Poultry & Egg Co., involving charges that they engaged in a course of business and did acts for the purpose, or with the effect, of manipulating or controlling prices at which packer products were purchased in commerce, and of creating a monopoly in the acquisition of, buying, selling, and dealing in packer products and of restraining commerce.

On May 10, 1939, in the course of this proceeding and after a number of hearings had been held, the Department wrote the Attorney General requesting that the Federal Bureau of Investigation be directed to investigate certain alleged violations of the Packers and Stockyards Act, 1921, involved in the proceeding, with particular reference to the poultry aspect of the proceeding. Thereafter, the Department turned over to the Department of Justice copies of the transcripts and records relating to the proceeding.

On October 9, 1940, Robert H. Jackson, the then Attorney General, wrote to the Secretary of Agriculture as follows:

"The Antitrust Division of the Department of Justice is undertaking a comprehensive investigation of possible restraints of trade in the food industries. Your cooperation in furnishing this Department with possible leads for investigatory purposes will be very much appreciated.

"Among other things, it is the purpose of this Department to ascertain what, if any, restraints of trade may exist in the meatpacking industry from stockraiser to consumer, and, for this purpose, access to such material as may have been developed by the Department of Agriculture upon this subject is desired.

"Particular reference is made to your docket No. 909–A which, it is understood, contains testimony relative to current practices in the meatpacking industry. An opportunity to review docket 909–A with its testimony and exhibits is requested. It would be preferable if a copy of this material could be made available for use at the Department of Justice. If not, representatives of this Department will examine the docket at the Department of Agriculture."

After receipt of the foregoing letter, the Department of Agriculture furnished the Department of Justice with copies of all the transcripts and exhibits in BAI Docket No. 909 and 909–A, together with such other information as the Department had. Thereafter, in 1941, the Department of Justice obtained a number of indictments involving the so-called Big Four packers, as well as a substantial number of other packers, individuals, and trade associations.

Thereafter, on February 15, 1949, the indictments were dismissed in view of the filing of a civil action involving the same practices. This action was instituted on September 15, 1948, and on the Government's motion dismissed without prejudice on March 17, 1954.

The details with respect to the indictments referred to, as well as the civil action, are set forth in the list of antitrust cases instituted against companies in the meatpacking business by the Department of Justice furnished with Assistant Attorney General Victor R. Hansen's letter of May 29, 1957, addressed to Senator O'MAHONEY as chairman of the Antitrust and Monopoly Subcommittee of the Committee on the Judiciary. This letter and list are printed on pages 102 to 105 of the record of the joint hearings of the subcommittees of the Committees on the Judiciary and Interstate and Foreign Commerce of the House of Representatives on H. R. 5282 and other bills dealing with the transfer of jurisdiction to the Federal Trade Commission from the Department of Agriculture.

In the light of the breadth and scope of the investigation instituted by the Department of Justice, and the court actions instituted and pending from 1941 to 1954 in the broad field of monopolistic trade practices by packers, naturally the Department was reluctant to engage in activities which would have at least duplicated and could be anticipated to conflict with or impair the extensive activities being conducted by the Department of Justice during this period.

It is our understanding that the committee's interest was limited to cases involving monopolistic trade practices of packers and we have not, therefore, dealt with the substantial number of criminal and civil cases referred to the Department of Justice by this Department relating to other aspects of the regulatory program under the Packers and Stockyards Act.

It is hoped that the foregoing furnishes the information required; however, if any further information is needed, we will be pleased to furnish it upon request.

Sincerely yours,

CHARLES W. BUCY,
Assistant General Counsel.

[Enclosure.]

"LIST OF FORMAL ADMINISTRATIVE CASES UNDER TITLE II OF THE PACKERS AND STOCKYARDS ACT

"Docket No. 1, *Kansas City Live Stock Exchange* v. *Armour & Co. and Fowler Packing Co.:*

"Complaint: That Fowler Packing Co., a subsidiary of Armour & Co., in the conduct of the Mistletoe Stock Yards, prevented its shippers from invading the localities and territories of other shippers; and that it gave certain privileges to some shippers which were denied to others.

"Disposition: Order entered after hearing requiring respondents to cease and desist from (1) preventing or forbidding any shipper from engaging in competition with any other shipper in buying hogs in their respective territories or localities, and (2) denying a corn fill at its stockyards to hogs of any of its shippers while furnishing such fill to the hogs of other shippers.

"Docket No. 19, *In re Armour & Company of Illinois, Armour & Company of Delaware, J. Ogden Armour, and Morris & Co.:*

"Complaint: That acquisition of assets of Morris & Co. by Armour & Co. had tendency or effect of restraining commerce or creating monopoly; and that acquisition was for purposes of manipulating or controlling prices in the buying of livestock and the sale and distribution of the products thereof in commerce or of creating or tending to create a monopoly therein.

"Disposition: After extensive hearings (79 days) the complaint was dismissed. The Secretary concluded that: (1) The purchase by one competitor of the physical properties, business, and goodwill of another competitor does not constitute, in and of itself, a violation of the act; (2) the evidence did not show that the acquisition was for the purpose of manipulating or controlling prices; and (3) that the undisputed evidence showed that competition on the whole in the sale of meat and meat food products in commerce had not been diminished (September 14, 1925).

"Docket No. 133, *In re Armour & Company of Illinois, Armour & Company of Delaware, North American Provision Co., and Swift & Co.:*

"Complaint: That respondents refused to do business with, or to purchase hogs handled by, any traders at the Union Stock Yards, Chicago, Ill.; and that such practice was unfair and unjustly discriminatory and was done for the purpose or with the effect of creating a monopoly in the acquisition and buying of hogs in commerce, or of restraining such commerce.

"Disposition: Prior to hearing, representatives of respondents and the complaining traders met before the examiner and respondents stated on the record that they would thereafter purchase hogs at the Chicago stockyard on their merits. Upon the basis of the representations made by respondents, the complaint was dismissed (January 22, 1925).

"Docket No. 152, *Secretary of Agriculture* v. *Chicago Packing Co.:*

"Complaint: That respondent had contract with the Chicago Livestock Exchange to slaughter certain livestock and to place and keep the dressed carcasses of the livestock so slaughtered in coolers upon respondent's premises exposed for sale and competi-

tive bidding by prospective purchasers; that respondent withdrew from its coolers certain carcasses of the livestock in order that respondents could obtain the carcasses after competitive bidding had ceased; and that respondent substituted certain carcasses of inferior grade and quality for carcasses of superior grade and quality.

"Disposition: Order entered dismissing proceeding upon grounds that respondent and certain of its officers were indicted under provisions of United States Penal Code, that certain of respondent's officers pleaded guilty and were sentenced, and that respondent was no longer engaged in preparing meats and meat food products for sale and shipment in interstate commerce (December 27, 1927).

"Docket No. 185, *Secretary of Agriculture* v. *Sunlight Produce Company of Sioux City, Iowa, and Cudahy Packing Company of Chicago, Ill.:*

"Complaint: That respondents attempted to injure and destroy the business of a competitor.

"Disposition: Proceeding dismissed without hearing (June 15, 1927).

"Docket No. 269, *Secretary of Agriculture* v. *Geo. A. Hormel & Company of Austin, Minn., and Rath Packing Company of Waterloo, Iowa:*

"Complaint: That respondents had agreement, arrangement, and combination to apportion territory for carrying on business of purchasing swine in commerce.

"Disposition: Complaint dismissed after hearing upon finding and conclusion that there was no arrangement, agreement, or combination between respondents as alleged (April 28, 1928).

"Docket No. 289, *Secretary of Agriculture* v. *Syracuse Rendering Company of Eastwood, N. Y., and Consolidated Rendering Company of Boston, Mass.:*

"Complaint: That respondents had engaged in certain practices for purpose or with the effect of manipulating and controlling prices in commerce.

"Disposition: Order entered dismissing the proceeding. The order stated that 'it now appears to the Secretary of Agriculture that there is no apparent reason for continuing the proceeding' (June 3, 1933).

"Docket No. 294, *Secretary of Agriculture* v. *Leo Schloss, Inc.:*

"Complaint: That respondent made misrepresentations in connection with its billings to certain purchasers.

"Disposition: The case was continued indefinitely at the request of the complaining witness, and on December 15, 1930, the complaint was dismissed.

"Docket No. 418, *Secretary of Agriculture* v. *Wilmington Provision Co., Inc.:*

"Complaint: That respondent made and gave an undue and unreasonable preference or advantage to the Great Atlantic & Pacific Tea Co., in that respondent paid, remitted, and refunded to the company an amount of money equal to 1 percent of the purchase price of certain products sold to the company by remitting such amount to an employee of the company knowing that such amount would be paid over to the company; that the 1 percent 'brokerage' fee had not been paid by respondent to any other purchaser; and that respondent conspired and agreed with the Great Atlantic & Pacific Tea Co. to give an undue and unreasonable preference or advantage to the company.

"Disposition: Order entered after hearing requiring respondent to cease and desist from directly or indirectly remitting or refunding brokerage fees to any buyer of meat and meat food products while respondent is at the same time paying brokerage fees on sales to other buyers without directly or indirectly returning such fees to them (October 25, 1933).

"Docket No. 419, *Secretary of Agriculture* v. *Trunz Pork Stores, Inc.:*

"Complaint: Same as docket No. 418.

"Disposition: Same as docket No. 418.

"Docket No. 420, *Secretary of Agriculture* v. *John J. Felin Co., Inc.:*

"Complaint: Same as docket No. 418.

"Disposition: Same as docket No. 418.

"Docket No. 440, *Secretary of Agriculture* v. *Armour & Company, Abraham Packing Company, The Cudahy Packing Company, Jacob Dold Packing Company, John Morrell & Company, Memphis Packing Company, Swift & Company, Wilson & Company, Morris & Company, St. Louis Independent Packing Company, George A. Hormel & Company, and Birmingham Packing Company:*

"Complaint: That respondents gave to each other, and to other packers and various wholesalers, jobbers, and distributors of meat and meat food products, information relative to prices at which respondents proposed to sell meat and meat food products in commerce; that such exchange of information was for the purpose or with the effect of giving certain persons and localities undue preferences and advantages in commerce; that respondents engaged in a course of business for purpose and with effect of manipulating and controlling prices in commerce and of creating a monopoly in the selling or dealing in certain meats and meat food products in commerce; and that respondents combined, conspired, agreed, and arranged between themselves to apportion sales of meat and meat food products in commerce.

"Disposition: Order entered after hearings requiring respondents, except the St. Louis Independent Packing Co., jointly and severally, to cease and desist from: (1) agreeing with competitors upon prices at which meats and meat food products shall be sold, and furnishing information relative thereto to competitors; (2) giving an undue and unreasonable preference or advantage to a particular person or persons or to a locality or localities in the sale of meats in commerce; and (3) combining, conspiring, agreeing, and arranging among themselves to make or give in commerce any undue or unreasonable preference or advantage to any particular person or locality, or to engage in a course of conduct for the purpose or with the effect of manipulating or controlling prices in commerce or of restraining commerce. It was further ordered that respondents Armour & Co., Wilson & Co., George A. Hormel & Co., Swift & Co., and Birmingham Packing Co. cease and desist from conspiring, combining, agreeing, and arranging with other persons or between themselves to apportion sales of meat and meat food products in commerce (March 30, 1936).

"Docket No. 470, *Secretary of Agriculture* v. *Levy Meat Co.:*

"Complaint: That respondent in connection with the selling in interstate commerce of meat, meat products, poultry, and poultry products substituted ungraded and inferior poultry and meat for officially graded poultry and meat, and substituted the word 'choice' for the word 'good' on meat and meat food products which had been stamped by an authorized meat grader.

"Disposition: Respondent admitted the facts alleged in the complaint and waived oral hearing. An order was entered requiring respondent to cease and desist from: (1) representing that any meat, meat food products, poultry, poultry products, or eggs sold or offered for sale by it had been graded and stamped by an official inspector or grader when the same had not been so graded and stamped; (2) substituting meat, meat food products, poultry, poultry products, or eggs that had not been officially graded and stamped for products that had been officially graded and stamped; and (3) making any unauthorized or other unlawful use of, or altering, any official grading stamp of the United States Department of Agriculture (October 4, 1935).

"Docket No. 476, *Secretary of Agriculture* v. *The Great Atlantic & Pacific Tea Co.:*

"Complaint: That respondent acting with and through an employee permitted the employee to represent himself as an independent broker and through such false representation to procure fees of 1, 2 and 3 percent of the sale price of meats sold by brokers and others through such employee; that respondent received the so-called brokerage fee on meats bought for it by its employee; and that respondent, through the collection of such fees, purchased meat and meat food products at a lower price than the price paid by its competitors to the same packers for like quantities of meat purchased under like circumstances.

"Disposition: Order entered after hearing requiring respondent to cease and desist from: (1) concealing or attempting to conceal the true relationship existing between it and any officer, employee, or agency under its control when and while such officer, employee, or agency is purchasing or is authorized to purchase meat and meat food products from any packer for it or its account; (2) making or permitting its officer, employee, or any person under its control to make any false or misleading representation that such officer, employee, or person is engaged in the brokerage business when such officer, employee, or person is purchasing meat supplies from meatpackers for it or its account; and (3) collecting from any meatpacker a fee charged for any selling service respondent renders to any meatpacker, or from any officer or facility maintained and operated by it, which merely provides a contact or medium through which such meatpacker offers for sale or sells its meat or meat food products to respondent, which fee, charge, or compensation exceeds the actual and reasonable expense incurred by respondent in providing the service or furnishing the office or facility for such purposes (December 29, 1936). An appeal was taken from the Secretary's order to the Court of Appeals for the Third Circuit. The Secretary moved to dismiss the appeal on the ground that the practices and activities complained of were no longer being continued and that the parties had stipulated that there was no longer any reason for questioning the validity of the Secretary's order. The appeal was dismissed. On December 28, 1938, the Secretary entered an order revoking his prior order in this case, provided, that if the Secretary shall in the future have reasonable cause to believe that the respondent is engaged in similar practices and shall order a hearing, the testimony taken in P. & S. Docket No. 476 shall be considered as a part of the testimony taken in the future hearing.

"Docket No. 477, *Secretary of Agriculture* v. *Wilmington Provision Co., Inc.:*

"Complaint: That respondent made and gave an undue and unreasonable preference and advantage to The Great Atlantic & Pacific Tea Co. in that respondent paid, refunded and remitted to the company an amount of money equal to 1, 2, and 3 percent of the purchase price of certain products sold to the company by remitting such amount to an employee of the company knowing that such amount would be paid over to the company; and that respondent, in connection with its sale of meat and meat food products to competitors of The Great Atlantic & Pacific Tea Co., paid similar brokerage fees knowing that such fees were not remitted to competitors of the company.

"Disposition: Order entered after hearing requiring respondent to cease and desist from directly or indirectly refunding or remitting brokerage fees to any buyer of meat or meat food products while respondent is at the same time paying brokerage fees on sales to other buyers without directly or indirectly returning such fees to them (April 15, 1938). Upon motion by respondent to set aside the order for the reason, among others, that the factual

situation upon which the order was based no longer existed, the order was set aside for a period of 60 days. Subsequently, the order was revoked after an investigation by the Department showed that the allegations made by respondent were true (September 7, 1938).

"Docket No. 479, *Secretary of Agriculture* v. *Essem Packing Co., Inc.:*

"Complaint: That respondent made and gave an undue and unreasonable preference and advantage to The Great Atlantic & Pacific Tea Co. in that respondent paid, refunded, and remitted to the company an amount of money equal to 1, 2, and 3 percent of the purchase price of certain products sold to the company by remitting such amount to an employee of the company knowing that such amount would be paid over to the company; and that respondent in connection with its sale of meat and meat food products to competitors of the Great Atlantic & Pacific Tea Co., paid similar brokerage fees knowing that such fees were not remitted to competitors of the company.

"Disposition: Prior to hearing, respondent stipulated to the facts in the case and agreed to cease and desist from the practice set forth in the stipulation. Thereupon, the case was postponed indefinitely, subject to being set down for further hearing at a future date in the event of the failure of respondent to comply with the stipulation (1936).

"Docket No. 480, *Secretary of Agriculture* v. *Ralph & Paul Adams, Inc.* (Same as docket No. 479.)

"Docket No. 481, *Secretary of Agriculture* v. *Arnurious, Dunn & Co.* (Same as docket No. 479.)

"Docket No. 482, *Secretary of Agriculture* v. *Boston Sausage & Provision Co., Inc.* (Same as docket No. 479.)

"Docket No. 483, *Secretary of Agriculture* v. *Albany Packing Co., Inc.* (Same as docket No. 497.)

"Docket No. 484, *Secretary of Agriculture* v. *E. Greenebaum Company.* (Same as docket No. 479.)

"Docket No. 485, *Secretary of Agriculture* v. *Hygrade Food Corporation.* (Same as docket No. 479.)

"Docket No. 487, *Secretary of Agriculture* v. *Figge & Hutwelker Co.* (Same as docket No. 479.)

"Docket No. 488, *Secretary of Agriculture* v. *Adolph Gobel, Inc.* (Same as docket No. 479.)

"Docket No. 489, *Secretary of Agriculture* v. *Standard Provision Co.* (Same as docket No. 479.)

"Docket No. 490, *Secretary of Agriculture* v. *F. G. Vogt & Sons, Inc.* (Same as docket No. 479.)

"Docket No. 491, *Secretary of Agriculture* v. *Beck Provision Co.* (Same as docket No. 479.)

"Docket No. 492, *Secretary of Agriculture* v. *L. S. Briggs, Inc.* (Same as docket No. 479.)

"Docket No. 493, *Secretary of Agriculture* v. *Cleveland Provision Co.* (Same as docket No. 479.)

"Docket No. 494, *Secretary of Agriculture* v. *Cudahy Bros. Co.* (Same as docket No. 479.)

"Docket No. 495, *Secretary of Agriculture* v. *N. Auth Provision Co.* (Same as docket No. 479.)

"Docket No. 496, *Secretary of Agriculture* v. *Frank M. Firor, Inc.* (Same as docket No. 479.)

"Docket No. 497, *Secretary of Agriculture* v. *Jacob Forst Packing Co., Inc.* (Same as docket No. 479.)

"Docket No. 499, *Secretary of Agriculture* v. *Albert F. Goetze, Inc.* (Same as docket No. 479.)

"Docket No. 500, *Secretary of Agriculture* v. *Knauss Bros., Inc.* (Same as docket No. 479.)

"Docket No. 503, *Secretary of Agriculture* v. *Augustus Saugy, Inc.* (Same as docket No. 479.)

"Docket No. 504, *Secretary of Agriculture* v. *Stahl-Meyer, Inc.* (Same as docket No. 479.)

"Docket No. 505, *Secretary of Agriculture* v. *Liberty Provision Co., Inc.* (Same as docket No. 479.)

"Docket No. 506, *Secretary of Agriculture* v. *Merkel, Inc.* (Same as docket No. 479.)

"Docket No. 507, *Secretary of Agriculture* v. *Miller & Hart, Inc.* (Same as docket No. 479.)

"Docket No. 508, *Secretary of Agriculture* v. *Taylor Provision Co.* (Same as docket No. 479.)

"Docket No. 509, *Secretary of Agriculture* v. *The Henry Muhs Co., Inc.* (Same as docket No. 479.)

"Docket No. 510, *Secretary of Agriculture* v. *Joseph Phillips Co.* (Same as docket No. 479.)

"Docket No. 518, *Secretary of Agriculture* v. *Fort Worth Poultry & Egg Co.:*

"Complaint: That respondent sold poultry at prices lower than were justified by the prevailing market prices for similar kinds of poultry, and reduced prices of poultry to a point lower than was justified by the prevailing market, and that such acts were done for the purpose or with the effect of injuring competitors and of driving them out of business.

"Disposition: Order entered after hearing, dismissing the complaint upon the ground that the evidence did not show any violation of the act with sufficient certainty to warrant the issuance of a cease-and-desist order. The order stated that the president of the respondent company testified that, irrespective of whether the acts complained of had ever occurred, in the future there would be no violation of the act on the part of respondent (May 22, 1936).

"Docket No. 549, *Secretary of Agriculture* v. *C. Swanson & Son:*

"Complaint: That respondent failed to accept and pay for livestock purchased for and on its behalf.

"Disposition: Order entered after hearing, requiring respondent to cease and desist from refusing to accept livestock, and pay drafts drawn on it by buyers who have been authorized to purchase livestock for respondent, and to draw drafts on respondent for payment of such livestock (November 11, 1936).

"Docket No. 580, *Secretary of Agriculture* v. *Armour & Co. and Swift & Co.:*

"Complaint: Following the issuance of the complaint, an order granting severance was entered and charges as to each respondent were considered separately. The complaint against Swift & Co. alleged that respondent had agreed and arranged with certain steamship agencies or companies that such companies would purchase meat, dairy, and poultry products only from respondent and would accept no bids from other vendors of such products without the consent of respondent; that, as a part of such agreement, respondent gave assurance of increased freight traffic to the steamship lines; that respondent falsely represented to the retail customers of various members of the New York Association of Meat, Poultry, & Game Purveyors, Inc., that members of the association had attempted to prevent respondent from selling meat, meat-food products, dairy products, poultry, and poultry products to the retail customers of the members of the association; that respondent sold to certain persons and concerns, under substantially similar circumstances and on or about the same dates, products of the same kind and quality at the same prices that it charged other purchasers for larger quantities of products of the same kind and quality and at lower prices than it charged other purchasers for like or larger quantities of products of the same kind and quality; that respondent gave price discounts to certain purchasers, while at the same time respondent did not give any discount to other purchasers who bought respondent's products under similar circumstances and conditions; that respondent extended long periods of credit to numerous purchasers while, at the same time and under similar circumstances, it extended shorter periods of credit to other purchasers; and that respondent, in the sale of its products wrapped and packed in containers, required some purchasers to pay for the containers and wrappers at the same price charged for the product, whereas it did not require other purchasers to pay for the containers and wrappers.

"Disposition: Order entered after hearing, requiring respondent Swift & Co. to cease and desist from (1) denying to any purchaser any discount which, at or about the same time, it granted to any other purchaser of packer products of like kind, quality, and quantity under similar circumstances; (2) requiring one purchaser of its wrapped and packaged packer products to pay for them on the basis of their weight at the time they were wrapped and packed by respondent, and allowing another purchaser to pay for such products on the basis of the actual weight thereof at the time of their physical delivery to the purchasers; and (3) denying to any buyer of packer products the same terms of credit that are extended to any other buyer of substantially the same credit rating purchasing packer products of like kind, quality, and quantity under substantially the same circumstances (June 1, 1938). This order was set aside on July 15, 1939, by the Court of Appeals for the Seventh Circuit (*Swift & Co.* v. *Wallace,* 105 F. 2d 848).

"The complaint against Armour & Co. involved, primarily, an alleged agreement between Armour & Co. and a certain steamship-operating agency. This complaint was dismissed without hearing following the setting aside of the Secretary's order against Swift & Co. (docket No. 508–A).

"Docket No. 581, *Secretary of Agriculture* v. *Scala Packing Company, Inc.:*

"Complaint: That respondent refused to pay the full purchase price for hogs purchased on order.

"Disposition: Order entered after hearing, requiring respondent to cease and desist from refusing to pay the agreed purchase price for livestock, purchased on respondent's order (January 7, 1937).

"Docket No. 603, *Secretary of Agriculture* v. *Empire Veal & Mutton Company, Inc. and Tobin & Shannon:*

"Complaint: That respondent Empire Veal & Mutton Co., Inc., agreed to purchase a carload of lambs from a shipper; that it thereafter, without legal cause, refused to accept said lambs, but later purchased a part of the shipment from a registered market agency at a posted stockyard; that respondent Tobin & Shannon, a market agency, failed to render a correct account of sale to the shipper; and that respondents conspired and agreed to engage in such unfair and deceptive practices.

"Disposition: Order entered after hearing, requiring respondent Empire Veal & Mutton Company, Inc., to cease and desist from (1) agreeing to purchase livestock and thereafter refusing to consummate the sale without legal cause therefor, and (2) conspiring and agreeing to engage in the unfair and deceptive practice of concealing from a shipper the facts pertaining to a sale. The order also required the respondent market agency to cease and desist from the practices alleged (April 23, 1937).

"Docket No. 708, *Secretary of Agriculture* v. *Leo Schloss, Inc.:*

"Complaint: That respondent purchased lambs at a certain agreed price, but that, in making payment, respondent deducted and withheld a certain amount to cover an alleged shrinkage after butchering.

"Disposition: Order entered after hearing, requiring respondent to cease and desist from failing and refusing to pay the agreed price for livestock purchased by it (October 20, 1937).

"Docket No. 798, *Secretary of Agriculture* v. *Isaac Meddin, Alexander Meddin, H. J. Meddin, and Asa Meddin, partners, trading and d/b/a Meddin Bros.*

"Complaint: That respondents failed and refused to pay the full price for cattle which they purchased.

"Disposition: Order entered after hearing, requiring respondents to cease and desist from (1) making any misrepresentation to a seller relative to the quantity, quality, or condition of any livestock purchased by them for the purpose of coercing the seller to accept less than the contract price for such livestock; and (2) failing and refusing, without just cause, to pay the contract price for livestock purchased by them (September 27, 1937).

"Docket No. 909, *Secretary of Agriculture* v. *Armour & Company, The Cudahy Packing Company, Swift & Company, Wilson & Company, Western Produce Company, Amarillo Poultry & Egg Company, and Ft. Worth Poultry and Egg Company:*

"Complaint: That respondents engaged in a course of business for the purpose or with the effect of (1) manipulating or controlling prices at which poultry, poultry products, dairy products, and eggs would be purchased in commerce; (2) creating a monopoly in the acquisition of, buying, selling, and dealing in poultry, poultry products, dairy products, and eggs; (3) fixing and maintaining prices which they would pay for poultry, poultry products, dairy products, and eggs; and (4) driving competitors out of business; and that respondents conspired, combined, agreed, and arranged with each other and with other persons not subject to the provisions of the act to (1) apportion territory; (2) apportion purchases of poultry, poultry products, dairy products, and eggs; and (3) manipulate and control prices.

"Disposition: Order entered after hearing dismissing the complaint upon the ground that the evidence was insufficient to establish that respondents' operations were contrary to and in violation of the act (December 4, 1940).

"Docket No. 928, *Secretary of Agriculture* v. *Leo Schloss, Inc.:*

"Complaint: That respondent failed to pay the full purchase price for livestock purchased for respondent by its agent.

"Disposition: Order entered after hearing requiring respondent to cease and desist from placing orders and buying livestock in interstate commerce for subsequent slaughter and thereafter failing and refusing to accept and fulfill the legal obligations assumed as principal (June 8, 1938).

"Docket No. 948, *Secretary of Agriculture* v. *Brighton Dressed Beef and Veal Company:*

"Complaint: That respondent refused to pay the agreed price for cattle purchased for it by its agent.

"Disposition: Order entered after hearing requiring respondent to cease and desist from purchasing livestock in interstate commerce through buying agents and thereafter failing and refusing to recognize, accept, and be bound by the acts done and performed by its buying agents while acting within the scope of their employment (May 17, 1938).

"Docket No. 982, *Secretary of Agriculture* v. *Feldman Bros. Co.:*

"Complaint: That respondent failed to make full payment for livestock purchased by it.

"Disposition: Order entered after hearing requiring respondent to cease and desist from purchasing livestock from a shipper and thereafter making arbitrary deductions from the purchase price for its own benefit or for the benefit of third parties without first obtaining authority from the shipper (June 30, 1938).

"Docket No. 1019, *Secretary of Agriculture* v. *Leo Schloss, Inc.:*

"Complaint: That respondent failed to pay the full purchase price for a load of lambs.

"Disposition: Oral hearing was waived and an order entered requiring respondent to cease and desist from purchasing livestock through agents at and for an agreed price and thereafter failing and refusing to pay the seller the agreed price (February 3, 1938).

"Docket No. 1020, *Secretary of Agriculture* v. *Frederick County Products Co., Inc.:*

"Complaint: That respondent refused to accept livestock shipped to him on order.

"Disposition: Order entered after hearing dismissing the complaint upon a finding that the cattle shipped to respondent did not conform to the requirements of respondent's contract with shipper (July 11, 1938).

"Docket No. 1021, *Secretary of Agriculture* v. *Frederick. County Products, Inc.:*

"Complaint: Same as docket No. 1020.

"Disposition: Same as docket No. 1020.

"Docket No. 1022, *Secretary of Agriculture* v. *B. Perlin:*

"Complaint: That respondent failed to pay the full purchase price for livestock shipped to him on order; and that, as a pretext for refusal to pay the full purchase price, respondent falsely represented to the seller that the livestock did not comply with the requirements of the order.

"Disposition: Order entered after hearing requiring respondent to cease and desist from: (1) Making any misrepresentation to a seller relative to the quantity, quality, and condition of livestock purchased by respondent for the purpose of coercing a seller to accept less than the contract price for livestock; and (2) refusing to pay the contract price for livestock purchased by him (July 2, 1938).

"Docket No. 1081, *Secretary of Agriculture* v. *Armour & Company:*

"Complaint: That respondent sold a consignment of live poultry for the account of a shipper at a price greater than the price shown on the account of sale rendered by respondent to shipper.

"Disposition: The complaint was dismissed without hearing upon representations that respondent had discontinued the handling of live poultry at its branch house in Chicago, did not intend to resume such operations, and had satisfied the claim of the consignor of the poultry (April 19, 1938).

"Docket No. 1105, *Secretary of Agriculture* v. *Leo Schloss, Inc.:*

"Complaint: That respondent refused to accept livestock which it had ordered.

"Disposition: Order entered after hearing requiring respondent to cease and desist from entering into any agreement for the purchase of livestock and then refusing to accept the livestock at the agreed price (July 2, 1938).

"Docket No. 1175, *Secretary of Agriculture* v. *Holmes Livestock Commission Company and Union Packing Company:*

"Complaint: That respondent made false reports to a railroad concerning weights of livestock and number of cripples.

"Disposition: Order entered after hearing requiring respondents to cease and desist from reporting false and incorrect weights of livestock and making false reports of crippled animals (May 25, 1940).

"Docket No. 1223, *Secretary of Agriculture* v. *Home Packing Company:*

"Complaint: That respondent had made and used a meat grading stamp with intent to make purchasers of meat believe that the meat had been officially graded.

"Disposition: Order entered after hearing requiring respondent to cease and desist from: (1) representing any beef carcass or other meat food product as having been graded by a representative of the Department of Agriculture when such carcass or other meat food product had not been so graded; and (2) delivering to a purchaser any beef carcass or other meat food product represented to have been officially graded, knowing that the purchaser thereof required that such carcass or meat food product be officially graded (October 18, 1939).

"Docket No. 1787, In re *Louis McRedmond, doing business as Columbia Packing Company:*

"Complaint: Unauthorized use of official meat grade roller.

"Disposition: Respondent admitted the allegations of fact, waived oral hearing, and consented to the issuance of a cease and desist order (June 24, 1947).

"Docket No. 1801, In re *Fred A. Ainbinder, et al.:*

"Complaint: That respondents failed to pay for purchases of livestock.

"Disposition: Order entered after hearing requiring respondents to cease and desist from practice of purchasing livestock and failing to pay therefor (April 20, 1948).

"Docket No. 1818, In re *W. L. Harris, doing business as Victorville Packing House:*

"Complaint: Same as docket No. 1801.

"Disposition: Same as docket No. 1801 (June 17, 1949).

"Docket No. 1820, In re *Louis A. Cross and Mrs. Anna Cross, doing business as Cross Meat Packing Company:*

"Complaint: That respondents failed to pay for purchases of livestock.

"Disposition: Order entered after hearing requiring respondents to cease and desist from practice of purchasing livestock and failing to pay therefor (June 17, 1949).

"Docket No. 1838, In re *Quaker Packing Company, Inc.:*

"Complaint: Same as docket No. 1801.

"Disposition: Same as docket No. 1801 (December 13, 1949).

"Docket No. 1910, In re *Berry Packing Company:*

"Complaint: That respondent purchased livestock and issued checks in payment thereof which were returned by the bank because of insufficient funds.

"Disposition: Order entered requiring respondent to cease and desist from issuing checks in payment of livestock purchased when it did not have sufficient funds on deposit to pay such checks (October 19, 1950).

"Docket No. 1961, In re *Western Beef Company, Inc.:*

"Complaint: That respondent failed to pay full purchase price for livestock purchased on order.

"Disposition: Proceeding dismissed upon motion of complainant that evidence developed at the hearing did not warrant further action (July 10, 1951).

"Docket No. 1982, In re *Clover Packing Company, Inc.:*

"Complaint: Same as docket No. 1961.

"Disposition: Same as docket No. 1961.

"Docket No. 1986, In re *Russell Packing Company, Dower Packing Company, and Thomas W. Dower:*

"Complaint: That respondents employed as a buyer of livestock a person whose registration as a dealer was suspended for a period of 15 months for bribing weighmasters, and that the employment of such person as a buyer during the suspension of his registration as a dealer enabled him to continue activities at the stockyard substantially similar to those in connection with which the suspension order was entered and had the effect of nullifying the order.

"Disposition: Complaint dismissed upon conclusion that, since buyer's suspension as dealer had expired and since it was unlikely that the situation involved would recur, the matter in controversy was moot (December 16, 1954).

"Docket No. 2040, In re *Flicker Packing Co., Inc.:*

"Complaint: That respondent failed to pay the full purchase price for livestock purchased from registered market agencies and

issued worthless checks in partial payment for such livestock.

"Disposition: Order entered requiring respondent to cease and desist from purchasing livestock in commerce and failing to pay full purchase price therefor, and from issuing checks in payment for livestock purchased in commerce when it did not have *sufficient funds* on deposit to pay such checks (February 18, 1953).

"Docket No. 2058, In re *Valleydale Packers, Inc., Salem, Va., and Valleydale Packers, Inc., of Bristol, Va.:*

"Complaint: That respondents, after purchases of calves at a stockyard at an agreed price per hundredweight, (1) demanded refunds from the stockyard company based upon carcass yields of the calves after slaughter, (2) demanded refunds based upon alleged excessive shrinkage of the calves, (3) collected such refunds from the stockyard company, and (4) misrepresented the yields derived by respondents from the calves.

"Disposition: Order entered requiring respondents *to cease* and desist from the acts and practices alleged in the complaint (June 1, 1953).

"Docket No. 2121, In re *Central California Livestock, Inc., doing business as Machlin Meat Packing Co.:*

"Complaint: That respondent purchased livestock from various persons and failed to make full payment therefor or otherwise failed to comply with the terms of the purchase agreements.

"Disposition: Order entered after hearing requiring respondent to cease and desist from the practice of purchasing livestock in commerce and failing to pay promptly therefor in accordance with contract terms and the practice of purchasing livestock in commerce and then refusing to accept such livestock (February 20, 1956).

"Docket No. 2126, In re *Swift & Co.:*

"Complaint: That respondent, in carrying on its frozen dairy products business in commerce, has engaged in various practices and devices for the purpose or with the effect of (1) inducing established retailers to discontinue handling products of respondent's competitors and to handle respondent's products in lieu thereof, and (2) inducing new retailers to handle respondent's products exclusively; and that such practices and devices contribute to monopolization of the frozen dairy products industry in the hands of a few.

"Disposition: Pending.

"Docket No. 2179, In re *A. C. Berry and Dan O'Neill, partners, doing business as San Jose Meat Co.:*

"Complaint: That respondents failed to pay the full purchase price for livestock purchased by them at a stockyard.

"Disposition: Order entered after hearing dismissing the complaint upon the ground that, under the circumstances of the case, it would not be concluded that the failure to pay was without justification (October 16, 1956).

"Docket No. 2253, In re *Straub & Smith Packing Co., Inc.:*

"Complaint: That respondent had arrangement with a registered dealer which enabled respondent to obtain hogs at a stockyard at less than their true and correct weights.

"Disposition: Consent order entered requiring respondent to cease and desist from the practices alleged in the complaint (Feb. ruary 11, 1957).

"Docket No. 2270, Nathan Miller (Union Packing Co.): Complaint issued August 15, 1957. Collusion between packer buyers and livestock salesmen. Set for hearing April 29, 1958.

"Docket No. 2272, Arabi Packing Co.: Complaint issued August 30, 1957. Rebate and favored treatment to registered dealers. Compelling meat supplier to transfer meat purchasing account to one of respondent's largest customers by refusing to slaughter until transfer made. Consent cease and desist order issued November 1, 1957.

"Docket No. 2273, Dixie Packing Co., Inc.: Complaint issued August 30, 1957. Failing to purchase livestock in competition with other packers and buyers. Paying dealer who was also packer for purchasing livestock. Purchasing livestock through dealer who also purchased for other packers. Consent cease and desist order issued November 1, 1957.

"Docket No. 2274, V. L. Brousse: Complaint issued August 30, 1957. Failing to purchase livestock in competition with other packers and buyers. Consent cease and desist order issued November 1, 1957.

Docket No. 2280, Wilson & Co.: Complaint issued August 15, 1957. Price discrimination. Hearing in progress. Government's case in except for submission of certain written data.

"Docket No. 2281, Armour & Co.: Complaint issued August 28, 1957. False advertising of margarine. Hearing completed. Date for submission of briefs set.

"Docket No. 2286, George Roman, doing business as Roman Packing Co.: Complaint issued November 6, 1957. Failure to maintain accurate scales. Purchases of cattle at short weights. Consent cease and desist order issued January 7, 1958.

"Docket No. 2310, Tarpoff Packing Co.: Complaint issued February 12, 1958. Failure to conduct buying operations at St. Louis stockyards in competition with and independently of dealers. Respondent has consented to cease and desist order.

"Docket No. 2312, Williams Packing & Storage Co.: Complaint issued February 20, 1958. Aiding and abetting market agency employee in engaging in dealer operations and accepting in return special preferential credit privileges. Consent order being negotiated.

"Docket No. 2320, Frankel Meat Co.: Complaint issued April 3, 1958. Respondent employed as a buyer and salesman of a market agency whose services respondent was using. Hearing set for May 6, 1958.

"Docket No. 2328, The Klarer Co., Louisville Provision Co., and C. F. Vissman Co., Inc.: Complaint issued April 4, 1958. Failure to conduct buying operations in competition with and independently of dealers. Hearing set for May 27, 1958.

"Docket No. 2331, Volz Packing Co.: Complaint issued April 11, 1958. Failure to conduct buying operations in competition with and independently of dealers. Hearing set for June 2, 1958.

"Docket No. 2332, Young & Stout, Inc.: Complaint issued April 11, 1958. Use of meat grading terms on meat not so graded. Defacing grade marks. Hearing set for May 20, 1958.

"Docket No. 2333, Henry Morlang, Inc.: Complaint issued April 14, 1958. Use of meat grading terms on meat not so graded. Hearing set for May 22, 1958.

Mr. DIRKSEN. As to the issuance of the cease-and-desist orders as contended by the majority, I refer briefly to the minority views and Report No. 704 taken from testimony from witnesses appearing before the subcommittee, as follows:

Mr. HARDENBERGH. Proponents of this legislation have apparently succeeded in creating the impression that the meatpacking industry is not subject to antitrust laws. As I shall point out later, it is difficult to think of any other industry, the activities of which have been subject to closer scrutiny by the Government. The present hearing is but one of many occasions on which we have given an account of industry activities.

In this connection, it should be noted that there has been a widespread misinterpretation of some of the statements made by proponents of these bills. It should not be assumed that lack of FTC jurisdiction means immunity.

The Department of Justice has authority to enforce the antitrust laws against meatpackers and on many occasions has sought to exercise that authority, although the lack of convictions proves an absence of illegal activity.

Mr. BROWN. I am sure, Senator, that if the complaint were made of improper buying practices to the Department of Agriculture, they would be equally anxious, and better equipped to investigate those practices than would the Federal Trade Commission.

Now furthermore, direct buying practices was one of the matters under investigation, again, in the major suit that was filed in 1948, and they have been the subject of investigation in other actions by the Department of Justice.

Mr. HARDENBERGH. And by the Department of Agriculture.

Senator DIRKSEN. In light of the chairman's question, I am curious about the vehement opposition of, for instance, the California Cattlemen's Association, consisting of perhaps 2,600 members, or whatever they have, and these other cattlemen's association. They are the producers, the sellers. If that were true, why should they be against this bill?

Mr. BROWN. The question answers itself, Senator.

In that same connection, there seems to be a feeling that the Federal Trade Commission has an investigative group that is always out in the field looking for improper trade practices. Actually, the Federal Trade Commission, just as the Department of Agriculture, acts basically upon complaints that are made to it, and not upon the basis of investigations generated or instituted by it.

I do not know of any industry that has as many persons attached to a regulatory agency which are constantly surveying its operations as the packing industry.

* * * * *

Mr. BROWN. I think directly the contrary, because I think it is an indication that the improper activities at that end are either nil or minor. That is an area that has been investigated by the Department of Justice, again, and they found nothing improper in that area.

Senator DIRKSEN. It could mean one other thing: If they have good surveillance it means that the difficulty was probably cured before it moved very far.

Mr. BROWN. Certainly.

In further answer to letters and statements introduced into the record as to the number of complaints filed and cease and desist orders issued, Mr. Brown stated as follows:

In the first place, and this very obviously is subject to check and confirmation by counsel, I think you will find the record given by the Under Secretary of Agriculture respecting the number of complaints processed within the period 1953 will compare very favorably with the number of complaints processed by the Federal Trade Commission in connection with complaints against any other industry. I think you will also find, by check with the Federal Trade Commission, innumerable industries with respect to which the Federal Trade Commission has undertaken no investigation of monopolistic practices within 11 years, or 20 years, or 30 years, ordinarily because of the fact that no monopolistic practices exist.

I do not want to appear critical of the Federal Trade Commission in the effectiveness of its enforcement program. I bring this to the attention of the Senate merely as an indication that one can always find fault with any regulatory

enforcement agency if desired. I should like to refer briefly to House Report No. 1372 of the 85th Congress, 2d session, a report by the Committee on Government Operations dealing with false and misleading advertising. On page 25 of that report, it states:

3. The Federal Trade Commission has failed in its statutory duty to "prevent deceptive acts or practices" in filter-cigarette advertising. The activities of the Commission to prevent this deception were weak and tardy. As a result, the connection between filter-tip cigarettes and protection has become deeply embedded in the public mind.

4. The Federal Trade Commission has failed to approach the problems of false and misleading advertising with vigor and diligence.

Further, in House Report No. 1157 of the 85th Congress, 1st session, Interim Report of Subcommittee No. 5, Select Committee on Small Business on the subject of Distribution Practices in the Petroleum Industry, it states as follows:

6. The regulatory powers of the Federal Government, mainly in the statutes administered and enforced by the Federal Trade Commission and the Antitrust Division of the Department of Justice, would be of far greater value to small-business men if enforced within a reasonable time and if followed up by vigorous action when violations occur.

The appropriate committees of the House of Representatives continue studies on cutting down the delay in the Federal Trade Commission, involving, in many instances, years of investigation and hearing procedures, culminating in cease-and-desist orders which are sometimes more honored in the breach than in the adherence. The subcommittee is aware that both the Committee on the Judiciary and the Committee on Interstate and Foreign Commerce have undertaken comprehensive investigations of the Federal Trade Commission and other regulatory agencies.

Anyone who carefully examines the record will come to the conclusion that the Department of Agriculture is as well equipped, if not better equipped, to enforce the Packers and Stockyards Act than is the Federal Trade Commission and therefore the O'Mahoney-Watkins bill, S. 1356, should be defeated and the Dirksen amendment to S. 1356 or the Cooley bill should be preferred.

The point has been made that there was no discussion in the hearings on the Cooley bill. I thought there was ample discussion before the Committee on Agriculture and Forestry when the bill was re-referred there. So the members became quite familiar with it.

The third point I make is that a rather impressive and substantial list of organizations adopted resolutions opposing Senate bill 1356, as introduced by the Senator from Wyoming and the Senator from Utah.

I submit for the RECORD the list of organizations that were opposed to the bill as it came to the committee in the first instance. Those organizations included the American Farm Bureau Federation, the American National Cattlemen's Association, the American Stockyards Association, the California Cattlemen's Association, and a great many others.

I shall certainly not trespass on the good grace of the Senate by reading the entire list, but I ask unanimous consent to have it printed in the RECORD along with my remarks.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

ORGANIZATIONS THAT HAVE PASSED RESOLUTIONS OPPOSING S. 1356

American Farm Bureau Federation, American National Cattlemen's Association, American Stockyards Association, Arizona Cattle Feeders Association, California Cattle Feeders Association, California Cattlemen's Association, California Farm Bureau, Corn Belt Livestock Feeders Association, Idaho Cattlemen's Association, Kansas Livestock Association, Minnesota Farm Bureau, Missouri Livestock Association, Montana Stock Growers Association, New Mexico Cattle Growers Association, North Dakota Stock Growers Association, Oregon Cattlemen's Association, Texas and Southwestern Cattle Raisers Association, Washington Cattlemen's Association, National Wool Growers Association, Arizona Cattle Growers Association, Montana Wool Growers Association, Nevada State Cattlemen's Association, Washington Wool Growers Association, National Grange.

Meat packer organizations: American Meat Institute and National Independent Meat Packers Association.

Mr. DIRKSEN. Mr. President, I think I am content to leave the case at that point.

Mr. WATKINS. Mr. President, will the Senator yield for a question?

Mr. DIRKSEN. I yield.

Mr. WATKINS. Would not the Senator regard Assistant Secretary Butz as a competent witness to testify as to what the Department had done with reference to enforcement under title II of the Packers and Stockyards Act?

Mr. DIRKSEN. I would, provided everything Mr. Butz said was printed in the RECORD, including the docketed cases which were submitted to the Senator from Florida [Mr. HOLLAND] at his request.

Mr. WATKINS. Only 92 formal cases were brought, yet there have been thousands and thousands of livestock and wholesale transactions. Of that number there were only 36 formal cease and desist orders issued under title II. Of the 36 formal cease and desist orders issued under title II, only nine have been issued for engaging in unfair practices involving wholesaling and merchandising of meat, meat food products, and so forth.

We had before us a situation in which the man who is supposed to be the strongest defender of his Department very frankly said the job had not been done. He was familiar with the history. No matter what the figures show—in my opinion they show little enforcement of title II—we have the statement of the man who investigated the record and was presenting the formal defense of the Department against this particular measure. He said in effect that "we admit it has not been done, but we repent, and can we not be given another chance?"

It seems to me after 37 years the Department has been given sufficient opportunity, but it simply cannot do the job when there are involved such large transactions as the big packers enter into day by day.

Under those circumstances, it seems to me that all the talk about 92 cases peters down to practically nothing at the end. We ought to take the considered and firm conclusion of the Assistant Secretary who was sent to appear before the committee to defend the position of the Department. That is what he said. I do not think there is any dispute about it based on the record.

Mr. DIRKSEN. My very affable friend from Utah falls into the error of measuring effectiveness by the amount of litigation which as been initiated. I point out to him that the primary function of the Department was to police the act in order to avoid litigation. Had the Department developed no litigation, I would not have been unhappy, because it has sufficient personnel to police the stockyards in order to be able to detect whether unfair, discriminatory, or deceptive practices are about to be pursued, to caution those who might engage in them, and thereby avoid not only litigation but disciplinary action on the part of the Department. Therefore, I think the record in that respect is tolerably good.

The other matter I should like to mention is the niggardliness of the Congress itself in making available necessary appropriations. I was on the Appropriations Committee of the body at the other end of the Capitol for about 12 years or more. I have been on the Senate Appropriations Committee for some years. I know how parsimonious Congress is when it comes to making available necessary funds. I might even charge the Budget Bureau in that respect, for when that Bureau makes its proposals, obviously its requests are whittled down in the Congress. They are whittled down in the Senate Committee on Agriculture and Forestry. Then we have difficulties in conference. No later than last year did we take a very substantial chunk out of the Department's appropriation.

To be sure, not all the money is spent on enforcement, but there is still a responsibility on the part of the Congress to look into the matter, particularly when legislation is pending. We must say to them, "We insist that sufficient money be provided for complete and adequate enforcement."

We ought publicly to confess our own sins in the matter and bear our full share of the responsibility.

Mr. WATKINS. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield.

Mr. WATKINS. I invite the attention of the Senator to the fact that I produced the record submitted by the Department of Agriculture itself, which shows clearly that except for 2 years the Congress did not turn down a request for any substantial sum of money. Only in 2 years did Congress turn them down. One was the year to which the Senator referred, when money was requested largely for the posting of new yards. The money request was not for the enforcement of title II, but for the posting of new yards under title III. As I understand the justification, it covered that activity and not the prosecution under title II of unfair wholesaling trade practice.

Actually, in over 37 years we have only once cut back the appropriations more

than $5,000 or $6,000. But the Department itself has actually cut down the requests of the Enforcement Branch of the Department of Agriculture. The Department would not submit the requests of the P. and S. Branch to the Bureau of the Budget, and the Bureau of the Budget did not request sufficient funds to take care of the job.

It seems as though there has never been any particular interest in the enforcement of title II as concerns packer wholesaling activities. Secretary Jardine, who originally hailed from the State of Utah, apparently did not like the act, and from that point on it was a stepchild many degrees removed from effective administration. It did not get the attention it should have had. It seems to me the record is pretty clear on that matter.

It does not do any good to cite a few formal statistics which do not mean anything, really, unless we go into what each one is all about.

Mr. DIRKSEN. Mr. President, may I politely respond to my friend by saying that in the years I have served on the Senate Subcommittee on Appropriations dealing with agriculture, I have no recollection that a single Senator has come before the subcommittee and asked that there be an implementation of and an increase in the funds for the enforcement of this function of the Department of Agriculture.

If we were so interested in the matter, and if we felt a good job had not been done, why did Senators not march themselves downstairs, appear before the Appropriations Committee, and say, "We insist that more money be provided for the enforcement of the Packers and Stockyards Act"? I have no recollection that a single Senator ever came to the committee to make such a request.

Mr. WATKINS. The Senators did not do that because the matter had not been brought to their attention. Senators were busy with other affairs, and they did not go into that matter. They thought the Department itself would ask for sufficient money. Heaven knows the Department of Agriculture has asked for billions of dollars for many other purposes including other regulatory functions. As to this particular item, Senators would never know the Department had not asked for enough money. It was only when we began to check the history of title II enforcement that we found a very unsatisfactory record as to requests from the Department of Agriculture for prevention of unfair wholesaling trade practices.

Frankly, if I may be permitted to make this observation, I think the Department of Agriculture ought to be very happy indeed to get rid of this particular chore. The Department is not in the business of regulating unfair trade practices in the matter of the wholesaling of meats. The Department has a special responsibility, and for that they have requested money. They have asked for plenty of money—not quite plenty, perhaps, because the record shows they were skimpy about it even in the matter of posting yards, inspections, and regulation of the sales of livestock at the markets themselves as well as country buying by packers. The Department has not even had enough money for those activities under titles II and III of the Packers and Stockyards Act.

If any Senator wants to get the record, we can check that. I can cite the page where Mr. Pettus and others pointed out how thin the appropriations were spread.

I invite attention to the situation in Ogden, Utah, where, in order to make inspections, it was necessary to rely on 4 or 5 men for a dozen yards. The job simply could not be done with that kind of force, let alone supervise wholesaling practices.

Mr. THYE rose.

Mr. DIRKSEN. Mr. President, I wish to make a short response before yielding to the Senator from Minnesota.

This is an integrated operation from top to bottom. It is vertical, applying to the whole livestock industry. The Department knows that better than anybody else. I am always glad when they tenaciously contend for the function they are trying to articulate and carry out as effectively as they can. They have done a reasonably good job, in my judgment.

Mr. THYE. Mr. President, will the Senator yield?

Mr. DIRKSEN. I yield to the Senator from Minnesota.

Mr. THYE. Is it not true that there is involved in the Packers and Stockyards Act a question as to the slaughtering of the animals? Is it not true that there is involved the animal carcass, and that veterinarians within the Department of Agriculture have certain knowledge that an ordinary layman without a veterinarians qualification cannot have?

Mr. DIRKSEN. That is exactly so.

The PRESIDING OFFICER. The time of the Senator has expired. All time on the amendment has expired.

Mr. DIRKSEN. Mr. President, I ask unanimous consent that I may suggest the absence of a quorum without the time being charged to either side.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Illinois? The Chair hears none, and it is so ordered.

Mr. DIRKSEN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. O'MAHONEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. O'MAHONEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. O'MAHONEY. As I understand, the question now is on agreeing to the amendment offered by the Senator from Illinois as a substitute for the amendment proposed by the Committee on Agriculture and Forestry, which the Committee on the Judiciary has accepted. Am I correct?

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DIRKSEN], as a substitute for the amendment reported by the Committee on Agriculture and Forestry as a substitute for the substitute reported by the Committee on the Judiciary.

Mr. O'MAHONEY. I thank the Presiding Officer.

Mr. President, I yield myself 1 minute on the bill.

I ask unanimous consent to have printed in the RECORD as a part of my remarks a letter from Chairman Gwynne, of the Federal Trade Commission, to Hon. HAROLD D. COOLEY, chairman of the House Committee on Agriculture, expressing the opinion of the Federal Trade Commission that the Cooley bill, House bill 9020, is not a satisfactory solution to the problem. That bill, of course, is identical with the amendment of the Senator from Illinois.

I invite the attention of Senators to the fact that this amendment and the Cooley bill would limit the jurisdiction of the Federal Trade Commission to the discretion of the Secretary of Agriculture, which is not the way to operate a railroad.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

FEDERAL TRADE COMMISSION,
Washington, February 20, 1958.

Hon. HAROLD D. COOLEY,
Chairman, Committee on Agriculture,
House of Representatives,
Washington, D. C.

DEAR MR. CHAIRMAN: This is in reply to your request of February 5, 1958, for a report on H. R. 9020, a bill "to amend the Packers and Stockyards Act, 1921, as amended, and for other purposes."

The Federal Trade Commission recognizes that H. R. 9020 reflects many hours of labor and careful consideration, but we do not recommend the enactment of this bill in its present form. The Commission prefers enactment of legislation which would combine S. 1356 and section 2 of H. R. 9020.

The Commission believes that legislation in this field should accomplish two purposes.

First, it should divide jurisdiction between the Secretary of Agriculture and the Federal Trade Commission clearly and cleanly.

Second, the legislation should confer upon each of the two Federal agencies involved that authority which it is best able to exercise effectively in the interests of producers, of packers and of the general public.

Neither of these basic objectives appear to be satisfactorily accomplished by H. R. 9020 in its present form.

First, as to the relative areas of jurisdiction, H. R. 9020 endeavors to divide the jurisdiction both on the basis of products and on the basis of functions and thus continues, in many respects, the mixed jurisdiction of the Packers and Stockyards Act of 1921.

In so doing, it appears to us that H. R. 9020 does not delineate adequately the relative jurisdictions of the Secretary of Agriculture and of the Federal Trade Commission. It is true that H. R. 9020 solves some of the jurisdictional problems which have resulted from the intermix of jurisdictions established by the Packers and Stockyards Act of 1921. But H. R. 9020 does not solve all such problems. Moreover, it creates certain new areas wherein the relative jurisdictions could be ascertained only after litigation. After 37 years, jurisdictional questions

under the Packers and Stockyards Act are still being litigated. Consequently, we believe a new approach should be made which would not only tend to put an end to all such existing jurisdictional questions, but which would avoid creation of any new problems.

A clear division of authority would be of benefit to the Secretary of Agriculture and to the Federal Trade Commission, but, equally important, it seems to us also that the parties regulated have a right to know with finality which agency is regulating them. This is not clearly accomplished by H. R. 9020, which incorporates undefined and unlitigated language and provides for a shift of jurisdiction at the option of the Secretary of Agriculture.

As to the latter, we feel that it would be desirable for jurisdiction to be determined by the Congress. Since this is an independent agency, the Federal Trade Commission's jurisdiction should not be permitted to rest upon a determination by an executive department. In *Rathbun (Humphrey's executor)* v. *United States*, 295 U. S. 602 (1935), the Supreme Court described the Federal Trade Commission as "a body which shall be independent of executive authority, except in its selection, and free to exercise its judgment without the leave or hindrance of any other official or any department of the Government."

Under H. R. 9020 our jurisdiction would be subject to the leave of the Secretary of Agriculture.

Secondly, contemplating the proposed division of jurisdiction in the light of the ability and experience of each agency, we feel that the bill is seriously defective. The area of expertness of the Secretary of Agriculture, as evidence in his experience, generally relates to matters involved in production and the initial sale by the producer. The Federal Trade Commission operates primarily in the field of merchandising of commodities, that is, in sales to wholesalers, to retailers and to consumers.

H. R. 9020 attempts to split jurisdiction over wholesale operations of packers between the Secretary of Agriculture and the Federal Trade Commission on the basis of the products involved. Packers sell many things. It is possible that with respect to a number of items being sold by a packer on the same invoice the Secretary of Agriculture could have jurisdiction over some and the Federal Trade Commission would have jurisdiction over certain other items involved in the same sale. It would seem more appropriate that complete jurisdiction over all sales by a single seller be vested in one or in the other agency.

H. R. 9020 appears designed to confer some jurisdiction over meats to the Federal Trade Commission in subparagraph (2) (b) of section 1 in the words "retail sales of any commodity." By thus separating the retail trade from the wholesale trade it is quite possible that H. R. 9020 would effectively prevent enforcement of applicable statutes as to either the wholesale or retail trade. The Commission, according to its more than 40 years of experience, cannot effectively oversee trade practices in retailing without having like jurisdiction over the wholesale trade. Moreover, the Secretary of Agriculture would have jurisdiction over the wholesaling but not the retailing of meats, etc., and this division of authority could well prevent effective enforcement at the wholesale level.

There is a way to accomplish both legislative objectives set forth in the fourth and fifth paragraphs of this report. The method which we have in mind would incorporate a significant part of H. R. 9020 and S. 1356. We commend this solution to your attention. It appears to us that there is with respect to trade practices in the livestock and packing industry a logical cutoff point where the jurisdiction of the Secretary of Agriculture should terminate and the jurisdiction of the Federal Trade Commission over unfair trade practices should begin. That point is reached after the livestock is slaughtered and processed by the packer.

Prior thereto we believe complete jurisdiction should rest with the Secretary of Agriculture. For this reason, the Commission wholeheartedly endorses section 2 of H. R. 9020 which would place in the Secretary of Agriculture jurisdiction over all commercial transactions in livestock, wherever such transactions take place. Since the enactment of the Packers and Stockyards Act in 1921, the Federal Trade Commission has never, within the memory of its staff, received a complaint from any source regarding any transactions in livestock. As a result the Commission claims no experience in this field. All such authority should logically be placed in the Secretary of Agriculture.

However, when livestock has been slaughtered and processed it becomes a commodity, which, while very important, is not seriously different from the thousands of other commodities subject to the jurisdiction of the Federal Trade Commission. Commodities subject to the Federal Trade Commission include many of agricultural origin. Thus, when grain becomes flour or bread, commercial transactions in it are under the Commission; when milk is put into bottles or cans or processed into cheese or butter, it is subject to our jurisdiction; vegetables and products made therefrom such as oils, etc., are subject to the Federal Trade Commission. The same is true of eggs, rice, coffee, fruits and juices, and countless other items. With respect to certain products, the original sale is subject to the Secretary of Agriculture, but subsequent transactions in commerce are within the jurisdiction of the Federal Trade Commission. We can see no reason for according different treatment to meat.

For this reason the Federal Trade Commission recommends that the Packers and Stockyards Act be amended so as to give the Secretary of Agriculture jurisdiction over all transactions in livestock prior to slaughter and processing and the Federal Trade Commission jurisdiction over commercial transactions which take place after the livestock has been slaughtered. If this type of legislation is enacted there would be no confusion and no necessity for litigation to determine jurisdiction, and each agency would have jurisdiction in those areas where it is most effective.

The Secretary of Agriculture would have jurisdiction over the production and sale of livestock. Moreover, his jurisdiction under the Meat Inspection Act would remain untouched. The Federal Trade Commission would have jurisdiction over all sales by packers, whether such sales involve meat or any of the many other products sold by packers.

The purposes described in paragraphs 4 and 5 of this report would be accomplished by enactment of S. 1356 if such act were amended by the addition of section 2 of H. R. 9020. The Commission recommends that this combination of the Senate bill and your bill be enacted into law.

Because of the urgency of your request, this report is transmitted without clearance by the Bureau of the Budget.

By direction of the Commission.

JOHN W. GWYNNE, *Chairman.*

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Illinois [Mr. DIRKSEN] as a substitute for the amendment reported by the Committee on Agriculture and Forestry as a substitute for the substitute reported by the Committee on the Judiciary.

All time has expired on the amendment. [Putting the question.]

Mr. DIRKSEN and Mr. JENNER requested a division.

On a division, the amendment to the amendment was rejected.

The PRESIDING OFFICER. The question now recurs on agreeing to the amendment of the Committee on Agriculture and Forestry as a substitute for the amendment of the Committee on the Judiciary.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question now is on agreeing to the amendment of the Committee on the Judiciary, as amended.

The amendment, as amended, was agreed to.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill (S. 1356) was ordered to be engrossed for a third reading and was read the third time.

Mr. HOLLAND. Mr. President, unless all time has been yielded back, I believe, under the unanimous-consent agreement, time will have to be yielded back by the Senators who control it.

Mr. DIRKSEN. That is correct.

Mr. ALLOTT. Mr. President, I should like about 4 minutes.

Mr. DIRKSEN. Mr. President, I yield 4 minutes on the bill to the Senator from Colorado.

Mr. O'MAHONEY. Mr. President, I yield 3 minutes on the bill to the Senator from Colorado.

Mr. ALLOTT. At the outset, Mr. President, I should like to make clear that I have no ax to grind on this legislation. However, I do wish to associate myself with the remarks of my colleague the distinguished Senator from Utah [Mr. WATKINS], whose analysis of the problems of the meat business—from cattle range to cooking range—is based firmly on long, careful, and objective study.

Like the Senator from Utah, I am a strong advocate of an economy as free as possible from arbitrary restraint. I do not want my name associated with those who constantly attack big business as a monster worthy only of destruction.

Our Nation's big businesses are an integral part of America's greatness. They have grown because the consumer has seen fit to reward their efforts by buying their products in large numbers.

My support of S. 1356 stems from the fact that I believe everyone should play by the same rules. If the meatpackers are to have their own special set of regulations, why should not the automobile industry also have a like rule book?

If the meat industry is to have a set of trade regulations in the Department of Agriculture peculiar to the industry, why not a similar division in the Department of the Interior for the fishing industry?

It is not reasonable to have Federal trade regulation of all industries save one lodged with the Federal Trade Commission. And by the same token, it is distinctly unfair to one industry to have special rules by which it must abide.

A glance at the history of past years of trade regulation by the Packers and Stockyard Division gives us ample reason for this measure. It shows quite vividly why the Department, whose basic responsibility is to nurture an industry, should not also have the responsibility of policing that very same industry.

The facts have been set out with crystal clarity. There has been no effective enforcement of the trade regulations insofar as the meatpacking industry is concerned. S. 1356 would correct that situation.

It is for that reason that I am pleased to join with the distinguished group of Senators in supporting this bill.

Mr. O'MAHONEY. Mr. President, I have conferred with the Senator from Illinois [Mr. DIRKSEN] and I understand that he is prepared to yield back the remainder of his time.

Mr. DIRKSEN. Mr. President, I yield back the remainder of my time.

Mr. O'MAHONEY. Mr. President, I yield back the remainder of the time under my control.

The PRESIDING OFFICER. All time has been exhausted or yielded back.

The bill having been read the third time, the question is, Shall it pass?

The bill (S. 1356) was passed, as follows:

Be it enacted, etc., That (a) subsection (6) of section 5 (a) of the Federal Trade Commission Act, as amended (66 Stat. 632; 15 U. S. C. 45 (a) (6)), is amended to read as follows:

"(6) The Commission is empowered and directed to prevent persons, partnerships, or corporations, except banks, common carriers subject to the acts to regulate commerce, air carriers and foreign air carriers subject to the Civil Aeronautics Act of 1938 and except as provided in section 406 (b) of the Packers and Stockyards Act, 1921 (42 Stat. 199, as amended; 7 U. S. C. 182), from using unfair methods of competition in commerce and unfair or deceptive acts or practices in commerce."

(b) Section 406 (b) of the Packers and Stockyards Act, 1921 (42 Stat. 199, as amended; 7 U. S. C. 182), is amended to read as follows:

"(b) On and after the enactment of this act, and so long as it remains in effect, the Federal Trade Commission shall have no power or jurisdiction so far as relating to any matter which is made subject to the jurisdiction of the Secretary—

"(1) by title II of this act if it concerns either (i) livestock or live poultry, or (ii) any other product in a form other than one in which it is marketed by the packer, poultry dealer, or poultry handler; or

"(2) by titles III or V of this act, and

except in cases in which, before the enactment of this act, complaint has been served under section 5 of the act entitled 'An act to create a Federal Trade Commission, to define its powers and duties, and for other purposes,' approved September 26, 1914, or under section 11 of the act entitled 'An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes,' approved October 15, 1914, and except when the Secretary of Agriculture, in the exercise of his duties hereunder, shall request of the said Federal Trade Commission that it make investigations and report in any case. The Secretary and the Federal Trade Commission shall maintain such liaison as is necessary to avoid unnecessary duplication of effort in the field covered by this act. Each shall give immediate notice to the other of the filing of a complaint by either agency with respect to any matter over which both have jurisdiction, and thereafter the other shall not institute proceedings covering the same matter."

The amendment made by this subsection shall be effective only during the 3-year period beginning with the date of enactment of this act, except that it shall continue effective thereafter with respect to complaints filed by either agency during such 3-year period.

(c) Section 202 of the Packers and Stockyards Act, 1921, as amended (42 Stat. 159, as amended; 7 U. S. C. 181 and the following), is amended by inserting after the word "unlawful" the words "with respect to livestock, meats, meat food products, livestock products in unmanufactured form, poultry, or poultry products".

(d) Section 201 of the Packers and Stockyards Act, 1921, as amended (42 Stat. 159, as amended; 7 U. S. C. 181 and the following), is amended by inserting at the end thereof the following: "A change in any person's status as a packer or live poultry dealer or handler after a transaction or act has occurred shall not affect the authority or jurisdiction of the Secretary or the Federal Trade Commission to institute proceedings and issue orders based upon such transaction or act applicable to such person or such action as may be provided by law for the enforcement of such order."

(e) The caption to title III, appearing immediately before section 301 of such act (42 Stat. 163; 7 U. S. C. 201) is amended by adding, immediately following the word "Stockyards," the words "And Livestock Transactions."

(f) Section 301 (c), section 301 (d), and section 312 (a) of title III of such act (42 Stat. 163 and 167; 7 U. S. C. 201 and 213) are amended by striking out in each such section, wherever they appear, the words "at a stockyard."

(g) Section 302 (a) of title III of such act (42 Stat. 163; 7 U. S. C. 202a) is amended by striking out the last sentence thereof.

(h) Section 303 of title III of such act (42 Stat. 163; 7 U. S. C. 203) is amended by inserting after the first sentence thereof the following sentence: "Every other person operating as a market agency or dealer as defined in section 301 of the act may be required to register in such manner as the Secretary may prescribe."

(i) Section 311 of title III of such act (42 Stat 167; 7 U. S. C. 212) is amended by striking out the words "stockyard owner or market agency" wherever they occur and inserting "stockyard owner, market agency, or dealer," and by striking out "stockyard owners or market agencies" and inserting "stockyard owners, market agencies, or dealers."

Mr. MANSFIELD. Mr. President, I move that the vote by which the bill was passed be reconsidered.

Mr. O'MAHONEY. Mr. President, I move to lay that motion on the table.

The motion to reconsider was laid on the table.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States submitting nominations was communicated to the Senate by Mr. Ratchford, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

The PRESIDING OFFICER (Mr. PROXMIRE in the chair) laid before the Senate a message from the President of the United States submitting sundry nominations, which was referred to the Committee on Labor and Public Welfare.

(For nominations this day received, see the end of Senate proceedings.)

RETURN OF VICE PRESIDENT NIXON FROM HIS SOUTH AMERICAN TOUR

Mr. HUMPHREY. Mr. President, I was glad to join the President, many of my fellow Senators, and other Government officials, in going to the airport this morning on the occasion of the Vice President's return from his difficult Latin American tour. We rejoice that the Vice President and Mrs. Nixon are back in this country, and we honor them both for the display of personal courage and dignity which they displayed under repeated abuses.

However, Mr. President, as I said on April 21 when I spoke in the Senate on Pan-American Day, this is also an occasion for a realistic appraisal of deficiencies in our own approach to Latin American affairs. At that time, well in advance of Vice President NIXON's trip, I said:

> We shunt Latin American affairs into the background, concerned as we are with emergency situations elsewhere in the world. If our neglect continues, I should not be surprised to see further crises develop on our southern doorstep.

Now that this trouble has come, Mr. President, I hope we will reexamine and reevaluate our relations with Latin America. How can it have happened that our Good Neighbor Policy has disintegrated to this extent in a few years' time? One reason, of course, is that some of our official spokesmen have minimized the dangers—even the dangers of Communist activity in South America.

When asked about these matters in his press conference on November 5, 1957, Secretary Dulles said "We do not take a grave view of the situation—we do not think that this situation is in anyway alarming."

I think that the country will now take a graver view of the situation. Without doubt the situation is in some degree alarming, and it is high time we turned our attention to it.

I ask unanimous consent that three editorials which have just come to my attention, which deal with three aspects of the Vice President's Latin American trip, be inserted at this point in my remarks.

The first was one entitled "Lesson for United States in NIXON's Latin Tour," which appeared in the Minneapolis Tribune on Saturday, May 10, 1958, prior to the disturbance in Venezuela.

The second, entitled "NIXON's Narrow Escape," appeared in the Washington Post and Times Herald for May 14, 1958.

The third, entitled "Troop Movement," appeared in this morning's New York Times.

These editorials outline some of the important, underlying problems now vexing our relations with Latin America. Something far more effective than goodwill tours or dispatching United States marines is needed if these relations are to be restored.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the Minneapolis (Minn.) Morning Tribune of May 10, 1958]

LESSON FOR UNITED STATES IN NIXON'S LATIN TOUR

The attacks on Vice President NIXON in Lima were disgraceful in the extreme and there seems little doubt that they were planned and led by Communists.

As NIXON declared, that day undoubtedly will "live in infamy" in the history of Peru, though it might have been wiser to let chagrined Peruvians say it.

Lima aside, the Vice President has every right to be satisfied with results of his goodwill tour of South American countries, despite lesser outbursts against him and the United States in other capitals.

The trip was undertaken in full knowledge that some of these nations are in acute economic difficulties which they blame in part on United States policies. NIXON'S knowledge of these problems and his willingness to discuss them—with university students as well as with Government officials—will be remembered long after some of the outbursts against him are forgotten.

NIXON even made a blunt comment in Buenos Aires which United States diplomats in Latin America generally are all too reluctant to make when he said: "Dictatorships are repugnant to our people."

Having said all these things about the Nixon tour we should add this warning: It would be a grave mistake for Washington to dismiss all of these anti-United States sentiments in the countries he visited as simply Communist-inspired.

Many South Americans—including many Peruvians—who despise communism feel deeply that the United States takes them too much for granted and is not sympathetic enough to their economic problems, especially since the start of the current recession.

The official newspaper of Peru's largest party—a left-wing but anti-Communist publication—voiced these complaints on the day NIXON arrived in Lima. It conceded that much anti-United States sentiment in Latin America was fomented by the Communist fifth column.

It added, however, that such sentiment was also due to frustration and bitterness that United States attitudes have created among genuinely democratic groups friendly to the United States people, such as ourselves. Among grievances it listed United States support for Latin dictatorships and unilateral policies injurious to Latin economies.

Along with Bolivia and Mexico, Peru desperately fears higher United States tariffs on lead and zinc, which it must export. It has also complained in the past that the United States has granted it too small a sugar quota and has undercut Peruvian cotton exports with dumping.

At bottom of many Latin American economic difficulties is the predominantly one-crop or one-product economy. It should be higher priority on the economic side of the United States foreign policy effort to help the American republics diversify.

No one should pretend that a solution will be easy, but it is obvious that a more determined attempt must be made. We shall be less vulnerable to Yankee imperialism charges during this effort if we can make it on a multilateral basis through such international agencies as the Inter-American Economic and Social Council and the United Nations Economic Commission for Latin America.

Perhaps the less favorable aspects of the NIXON good-will tour will spur Washington to get on with the job.

[From the Washington Post of May 14, 1958]

NIXON'S NARROW ESCAPE

The shower of stones hurled at the Vice President of the United States in Venezuela should shatter any remaining illusion that all is well south of the border. Mr. NIXON'S reception was easily the worst he has braved in his eight-nation tour of Latin America. His stop was preceded by an ugly assassination rumor; a jeering mob crowded around the Vice President, spat upon his car, flaunted anti-NIXON placards, and shouted, "NIXON, go home." There will be widespread relief that the Vice President and Mrs. Nixon emerged unscathed.

The first, and normal, response is anger at this indefensible and insulting behavior to the second highest official in the United States. Apparently this was the impulse which led President Eisenhower to order 1,000 marines to nearby United States bases to "cooperate," if necessary, with the Venezuelan Government. Venezuela's ruling junta evidently failed to provide adequate police protection against an outburst that can only hurt their country; and perhaps it was a mistake for American officials to sanction the visit.

Yet it would be foolish to miss the obvious import of this demonstration in a country which outwardly has every reason to be friendly to the United States. Venezuela leads Latin America in the amount of United States capital investment ($3 billion) and is the largest Latin purchaser of American goods. As in Peru a few days ago, Communists were, of course, partly responsible for inflaming the youngsters for their own ends. There is no way of measuring whether a demonstration of a few rioters really represents any substantial public opinion. But there seems to be more behind the demonstrations than a handful of Communists.

Many Venezuelans, along with other Latin Americans, appear to be confused and dispirited about the complacent face which the Colossus of the North seems to show toward its neighbors—about the appearance of neglect for problems in this hemisphere while the United States concerns itself with Europe and Asia. Understandably, there is bafflement at a policy which preaches the blessings of competitive free enterprise while simultaneously raising barriers to Venezuelan oil so that the Texas oilmen will have a little less competition. And there is cynicism about a policy which speaks of freedom while appearing to be friendly to the cutthroat regime which Venezuela overthrew only a few months ago. The fact that the country's one-time strong man, Gen. Marcos Perez Jimenez, was granted a comfortable asylum in the United States has not helped public relations. These doubts, combined with an upsurge in Latin American nationalism, provided the seedbed for the anti-NIXON demonstrations. It would be the course of folly to ignore the seedbed while deploring the crop.

[From the New York Times of May 15, 1958]

TROOP MOVEMENT

The public dispatch of 1,000 marines and paratroopers to Caribbean bases in reply to the outrageous attack in Venezuela on Vice President and Mrs. Nixon could not do anyone any good and seems certain to do the United States harm.

Naturally, the instantaneous American reaction to the cowardly and inexcusable assault on Mr. and Mrs. Nixon is one of anger and resentment at the gross humiliation and physical danger to which these representatives of our country were subjected in the streets of Caracas. But emotional impulses are no guiding lines for the conduct of a great nation's foreign policy; and the well-advertised airborne troop movement Tuesday afternoon had all the earmarks of just such a response.

President Eisenhower explained the decision at his press conference: "We knew nothing of the facts. We could get no reports from the outside, * * * and not knowing what was happening, and not knowing whether the [Venezuelan] Government might not want some aid from us, we simply put it at places where it would be available in reasonable amounts and in bases that were well within the American zone. * * * The idea was only in the case they [the Venezuelans] would want to ask it."

This is a reasonable statement, but it ignores the psychological and historical context in which our relations with Latin America must be conducted. News of United States troops moving southward conjures up in every Latin mind instant recollections of the bad old days of Intervention and of dollar diplomacy, the very things we have labored so hard for so many years to erase from Latin-American memories. The Marines—shades of Nicaragua and Haiti!—and paratroops were not going to intervene except at request of the Venezuelan Government; they did not intervene; they remained in American bases; and their whole mission was as far removed from colonialist interventionism or dollar diplomacy as it could possibly be.

These are the facts, but will the world—particularly the Latin American world—recognize them? The Communist and other anti-American propaganda mills will never cease pointing to this incident as an example of alleged American militarism and military-mindedness. Long before the troops reached the Caribbean the Nixons were safely inside the American Embassy in Caracas. If something even more serious had occurred in the streets, the soldiers would have got there too late to be of any use. In any event, if they were to be sent to the bases, they should have been sent quietly.

The Venezuelan Government was extremely remiss in failing to provide adequate protection for the Nixons, who were its guests; but the United States did not add to its prestige by making this publicly threatening and futile gesture.

ADDRESS BY CHARLES S. RHYNE, PRESIDENT, AMERICAN BAR ASSOCIATION, BEFORE AMERICAN SOCIETY OF INTERNATIONAL LAW

Mr. HUMPHREY. Mr. President, at a recent meeting of the American Society of International Law, the president of the American Bar Association, Mr. Charles S. Rhyne, delivered a very significant and thoughtful address entitled the "Law's Expansion in a Constricted World."

Mr. Rhyne outlined a program that challenges both the American Bar Association and those responsible for our foreign policy. His emphasis upon the importance of international law and the strengthening of the United Nations represents a constructive contribution to the discussion of American foreign policy. The Nation is indeed fortunate to have as the spokesman of one of our greatest professions—the legal profession—a man of the understanding, experience, education, and vision of Mr. Charles S. Rhyne, president of the American Bar Association.

I ask unanimous consent that the text of the address delivered before the American Society of International Law at the Statler-Hilton Hotel, Washington,

D. C., April 26, 1958, be printed at this point in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

THE LAW'S EXPANSION IN A CONSTRICTED WORLD

(Address by Charles S. Rhyne, Washington, D. C., president, American Bar Association, before the American Society of International Law, the Statler-Hilton Hotel, Washington, D. C., April 26, 1958)

Man's relation to man is the most neglected field of study, exploration and development in the world community. It is also the most critical. For the most important basic fact of our generation is that the rapid advance of knowledge and science has forced increased international relationships in a shrunken and indivisible world. Men must either live together in peace, or in modern war we will surely die together.

I face this learned society with the trepidation of a student before a board of full professors. You are steeped in the history and principles of international law and relations. I am merely a practicing lawyer, but with a deep interest in your field of specialization.

For a long time I have been concerned with improving man's relationship to man in the international community so as to prevent the holocaust of atomic-satellite-missile war. This concern has led me to devote much time and effort, as President of the American Bar Association, to selling lawyers the thesis that law must replace weapons as the mechanism of decision in disputes between nations. The lawyer is the technician in man's relationship to man. In general, we lawyers have done a pretty good job nationally. But internationally our achievements are meager, and our knowledge might barely satisfy the famous "scintilla" rule of evidence.

As I have hammered away on my thesis, in travels which now exceed 100,000 miles in the past 7 months, it has been most gratifying to find a tremendous yearning among lawyers for knowledge about this field, which is to them still one of vast mystery. The sputniks have exerted great influence here. They and our own satellites have given an impetus to my work which would otherwise have been lacking. It might amaze the Russians to know that their sputniks have done more than any other event in modern history to fan the spark of interest in international law among American lawyers. In nearly every place I have gone since October 4, I have been requested specifically to talk on substituting law for weapons in the international arena. I do not need to tell you, who have labored long in the vineyard, that such a development is phenomenal. Lawyers are traditionally conservative and traditionally proud of it, and their traditional conversatism has been especially evident in their failure to accept or be interested in international law. I am happy to report this new turn in the tide.

With this increased interest, it has seemed to me that lawyers are about ready to undertake a new task in their long-continued leadership in crystallizing public opinion. It has seemed to me that, when adequately informed themselves, the lawyers of America could go on to educate the general public in our country, and start a ground swell of interest in law—and in peace through law—which could further that objective throughout the world. Law Day, U. S. A. is the vehicle which has been designed by the legal profession to recreate and reawaken the interest of the public at large in the United States in the rule of law nationally and internationally.

Through the proclamations of President Eisenhower, the governors of States, and more than a thousand mayors of cities; through speakers in more than 20,000 high schools, and before civic clubs and organizations; and through the tremendous outpouring of news and editorial comment in newspapers and on radio and television programs, our people on May 1, 1958—the first Law Day, U. S. A.—will have their attention more forcefully called to law than at any other time in the history of our Nation.

This spotlight on the law has created a swelling tide of interest which can operate as an excellent basis for a tremendously accelerated understanding and acceptance of the proper place of law in international relations. Lawyers formerly concerned, in horse and buggy days, with intrastate commerce, and now in days of faster transportation and communication concerned chiefly with interstate commerce, are commencing to see faintly—sometimes quite vaguely and sometimes more clearly—the day of a greatly expanded international commerce. We who have come from Kitty Hawk to Cape Canaveral in 54 years now realize that the progress formerly measured in decades now is a matter of years or even of months. But our brilliant advances have been almost exclusively in fields of technology, and in this is great weakness.

There has been such an emphasis upon scientific achievement in recent years that I fear our people have become warped into thinking that science is the answer to everything. Other phases of mankind's existence have been neglected, particularly man's relation to man. The members of the legal profession—lawyers and teachers—are mankind's specialists in this relationship. Down through the centuries our profession has formulated legal machinery in nation after nation to guide and control this relationship so that civilized society can function. Law is the mechanism utilized. But ignorance of the value of law and the rule of law, to even our own people, is appalling.

The need for law in the world community is today the greatest gap in the growing structure of civilization. The miraculous new advances in science and technology have brought segments of mankind into new and close relationships without law or the rule of law to guide and control their actions. The necessary development of international law is lagging far behind the greatly intensified and increased international relations brought about by the social, scientific, and commercial intercourse of modern times.

There is a tremendous danger in overemphasizing science, and ignoring the need for legal machinery in the international area to guide and control man's relationship to man.

Due to the emphasis upon science, we have more than 1 million young people who are currently training for science or allied fields. In law we have about 40,000 law students. Of that number, I would guess that less than 100 are really working on international law with the hope of making it a career. The professor of international law is today very much in the position the professor of science was a decade or so ago. Those who notice him are liable to look upon him as a gentleman who is dealing with some nebulous, esoteric, possibly illusory and probably worthless subject in which there is nothing practical and from which very little of a usable or practical character can ever flow. His field is considered so mysterious—and so useless—that law students have not been encouraged by practicing lawyers to take his courses. There are only 59 law schools that even offer courses or seminars in international law, and in only four of these schools are courses in international law required.

The small program now underway for international exchanges of law students, teachers, and lawyers has been carried almost entirely by a few of our law schools, such as Southern Methodist, New York University, the University of Michigan, and the University of Chicago. Governmental assistance is negligible. The Ford Foundation has made small grants to 14 law schools to do this kind of work, and this is a step in the right direction.

In Government there is no group known to me concentrating solely day by day on the development of law as an answer to the problem of peace. We have in the State Department very dedicated men who are doing outstanding work on the whole field of foreign relations, and their work helps maintain peace. But I know of no laboratory for research carrying on a program devoted exclusively to law in the concentrated way required to achieve meaningful progress. We have billions upon billions being spent on scientists and scientific exploration in scientific laboratories. But there is no single laboratory exploring peace under law. Fifteen years ago a crash program involving scientific resources was working toward the breakthrough that finally came in the splitting of the atom. But neither then nor now has there been any mobilization of legal resources to work toward a breakthrough for world peace under law.

The Department of State is headed by one of the greatest lawyers in our Nation. There are many lawyers among the 22,000 employees of that Department. The extremely able lawyer who shares this speaking program here tonight heads an office of some 50 lawyers; but he and his office and the other lawyers in that Department are, according to what I can learn, so swamped with other problems they cannot concentrate to any appreciable extent on furthering ideas for law expansion to meet the needs of the world today. At least not to the extent of which I now speak.

We have work going on in the organized bar and in some law schools, and there is some private research; but it is meager, uncoordinated and so far has been unfruitful.

If we could develop a mobilization of legal scientists working in law laboratories seeking a breakthrough in use of law in international relationships, it would be a tremendous thing. Without such a mobilization, the breakthrough is not likely to be achieved.

It is deplorable, but law is not emphasized in the only international agency that man has to work on peace in the world today, the United Nations. True, law is sometimes involved in the debates in the General Assembly, or the Security Council, or in the work of the specialized agencies. There is the little-known Commission on Codification of International Law, and the little-used International Court of Justice. But law plays a relatively unimportant part in United Nations' decisions and actions. The plain fact is that law has never been recognized as having any real value there. I am one of those who think the United Nations has done a tremendous job, and that it should be encouraged and helped in every possible way in furthering its outstanding work for peace. I should like to encourage the United Nations organization to recognize the development of law and the rule of law in international relations as offering tremendous potentials that have never been tapped as they should be.

To show you how lawyers are sometimes rated in the international field by our own Government, I call attention to the fact that in the People-to-People program, lawyers were relegated to an insignificant position and buried in a Subcommittee on Legal Societies under the Office of Private Cooperation of the USIA, with no real part in the program and no worthwhile function to perform. So far as I know, lawyers have hardly been mentioned since the program started. In making plans for the exchange program with Russia, the International Educational Exchange Service has not given nearly enough attention to lawyers. Farm-

ers, and all kinds of businessmen, labor leaders and others have received special attention; but lawyers so far have not—to my knowledge—been considered at all.

In our country, we like to think that lawyers are by training and tradition among the leaders in creating public opinion, and there can be no doubt that lawyers are in a very real sense technicians specially equipped to work on development of peace under law on a worldwide basis. If lawyers were given a greater part in the People-to-People program, they could make an outstanding contribution by their capacity to collect and analyze facts about peoples in other nations. Their capacity to pass along this information in their community discussions would have a tremendous effect on public opinion in our country. In Russia today, the lawyer is a servant of the state, rather than a servant of law or justice, yet there must be, even among Russian lawyers, those who can see, or who can be made to see, the vision of world peace under law. But how can we ever make them see it if we do not undertake to do so? And no group is better equipped to do this than the American lawyer.

The blunt truth is that our people, and the people of the world, do not realize the value of law to them, to even their most personal and noncommercial interests. They do not know what law and the rule of law could do for them, if made effective internationally. They do not realize that there can be no end to the arms race unless law replaces weapons. Why not tell them the facts and let them then choose whether they want law or weapons?

We are spending billions upon billions of dollars specifically to advance science. But for the specific purpose of expansion and advancement of law to meet the needs of man's relationship to man in our constricted world, not one dollar has been appropriated, so far as I know. We have underwritten no programs in our law schools directed to the problems of law expansion to parallel the programs in colleges all over the Nation directed to the expansion of science. The reason obviously is that there has been no realization that if ever we are to reach a point where we may lessen the tax burden of billions now spent for national security, law must point the route. Unless the rule of law is expanded to meet the needs in the field of international relationships the arms race will continue to accelerate, with no end of the ever-mounting expenditure in sight.

Before this sophisticated audience, I know it is not necessary to expound the point that law can be expanded to meet the needs of the shrunken world in which we live. You do not need to be told, I am sure, that the accomplishment of this expansion is, or should be, one of the most important objectives of our country. While we stand short of this objective, it may be that we must maintain peace by weapons through "mutual terror" as Sir Winston Churchill so incisively said. But the security of no nation can depend forever upon weapons alone. And, while the terror of weapons is maintaining peace, we must try to insure that those weapons never explode into devastating war.

Only the rule of law can both achieve and maintain lasting peace. Clearly, law offers the best route to order in a disordered world. The fact that so little progress has been made along this route should be a challenge to leadership fitting to the mettle of the American colossus.

Last year, before launching our intensified interest in this field, I asked Edgar Turlington, whom you know as one of the most outstanding experts in the field of international law and a leading member of this society, for comments on the idea of expanding law to replace weapons in the international community. His reply was most enthusiastic and, in fact, he gave me a broad outline of a program for work toward this goal. Last month Grenville Clark wrote to me giving an almost identical outline. That two such eminent authorities agree on the possibilities here is most encouraging. This is especially true when their views are coupled with the many expressions of interest and support I have received from lawyers and laymen from all over the Nation and from abroad. I have just received a communication from our great Secretary of State in which he states that "in international affairs it is impossible to sustain a just and lasting peace unless that peace is based upon law and order. Indeed, the universal acceptance of the principles of international law and morality is the indispensable requirement for the survival of our civilization."

Next month I will ask the board of governors of the American Bar Association to implement this idea more concretely by endorsing and supporting a program to achieve a breakthrough in this area.

This is a challenge to leadership we cannot afford to ignore. The interest of lawyers, and of the public at large, in law, and especially in the possibility of developing a rule of law to replace weapons as the mechanism for deciding disputes between nations, is at an alltime high. With this intensified interest, my plea to you tonight is that all of us, individually, and through the American Society of International Law, the International Bar Association, the Inter-American Bar Association, the American Bar Association, and other societies and associations, redouble our efforts to achieve the goal of peace under law. This is not a program just for any one association or society; it is a program for all Americans and in fact for all peoples throughout the world. We must seek out coworkers in other lands and pool our research, knowledge, and experience.

In the years gone by the members of this great society have kept alive the flame of interest in international law. You have now thousands who are willing to be your coworkers. I sincerely urge as a program the following:

1. The State Department should create an entirely new section staffed with experts whose sole function would be to concentrate on law as a program capable of creating a breakthrough to achieve and maintain peace. This breakthrough is not only possible but absolutely essential. The mere knowledge that our Government is making a serious effort in this regard would revive the hopes of peace-loving peoples throughout the world.

2. Intensified effort to achieve such a breakthrough should be the organized bar's major project and the lawyers in our country should be urged to emphasize individually the importance of international law and of the development of a rule of law in international affairs. They should think about it, talk about it, write about it, and work on the problems themselves on a constant basis, as their ability and circumstances permit. Law Day, U. S. A., is a start in the right direction. It will help to provide the essential foundation of crystallized public opinion in support of the rule of law in the international community. And this program should be expanded to reach the legal profession all over the world and convince it to further the same objectives. By common effort the legal professions of all nations can succeed in establishing and maintaining peace under law.

3. The law schools of America should make international law a required course, and teach that knowledge of international law is an essential to a successful legal career in the shrunken world in which we now live. We should contact law schools all over the world and urge them to do likewise.

4. All Government agencies should further the use of law to the greatest possible extent in all international contacts and in particular should seek and take every opportunity for progress along the road that leads to the substitution of law for weapons in any and every field of international interest, from the guarantee of world investments to the protection of national boundaries, and eventually to the settlement of all international differences.

5. The United Nations and all other international agencies should be urged to bring law, legal procedures, and legal methods to the forefront in all deliberations, and particularly by making more use of the International Court of Justice and its advisory jurisdiction.

6. The lawyers of America should unite in urging removal by the United States of the present reservation which makes inapplicable to our country the compulsory jurisdiction of the International Court of Justice, to the end that we as a Nation, will accept the jurisdiction of that Court in all international disputes in the future. In the light of these recommendations, but not for the purpose of committing you to them, or to any of them, but rather, for the sole purpose of achieving your aid in mighty and sustained effort to reach a goal which cannot be attained without your aid, I ask that you join with me and the other lawyers of America in doing the job that must be done on the problems of man's relationship to man. Let us achieve just as greatly in the technical accomplishments here as have the scientists of the world in their field. No greater challenge faces any profession. No greater public service could be rendered by any group of men.

THE SITUATION IN THE MIDDLE EAST

Mr. HUMPHREY. Mr. President, among the many disturbing events in recent days have been the riots in Lebanon. When I returned from the Middle East a year ago, I said in the report I made to the Senate:

> It would be foolish to underestimate the political prestige or influence of pro-Nasser elements in Lebanon. Rioting, promoted by these elements and Communist agents, occurred during the recent election campaign, despite determined efforts of the government forces to prevent it.

This week we have seen the influence of pro-Nasser elements increase. There is little doubt of the source of the agitation in Lebanon. Dr. Charles Malik, Lebanon's Foreign Minister describes it as "massive interference" in Lebanese affairs by the United Arab Republic. This interference has taken many forms, including the expected vigorous agitation by the Cairo and Damascus radios.

Mr. President, this radio agitation is nothing new. We Americans have become accustomed to it from time to time. And this is an instructive occasion in point, as far as the difficulties in reestablishing friendly relations between the United States and the United Arab Republic are concerned.

In my capacity as chairman of the Senate Subcommittee of the Near East and Asia, I have on many occasions discussed the future of our relations with representatives of the Egyptian Government, including President Nasser and Foreign Minister Fawzi. They have always expressed a desire for improved relations, and everything I have said has

been to encourage this objective. On each of these occasions, however, I have reminded these gentleman that one good place to begin is with Radio Cairo and its vituperative anti-American broadcasts. I have emphasized that this kind of agitation was not conducive to a responsible reassessment of our relations.

Of course, the United States is big enough and strong enough to take all the slander that Radio Cairo cares to deliver, despite the damaging effect this has on the development of peace and friendly relations. But when this kind of technique is turned against a small but sovereign country in the Middle East like Lebanon, we owe it not only to Lebanon but to the cause of freedom and self-determination of nations to make our position quite clear to the agitators. Lebanon is a friend of the United States. It is important to us precisely because it is not a satellite, precisely because it is independent.

As I said in my Middle Eastern report, "Lebanon is a valuable link between the West and the Middle East. It is in our interest to preserve this link."

This means, Mr. President, that the United States ought to make unmistakably clear to President Nasser that in the case of Lebanon we intend to stand forthrightly for freedom and self-determination. The soveriegnty of Lebanon is to be respected on all sides, and the United States intends to see to it that this respect is assured.

Mr. President, an excellent editorial appeared in the Washington Post for May 14, 1958, entitled "Lebanon Aflame." I ask unanimous consent that the text of this editorial be printed at this point in my remarks because in many ways it summarizes what I have just said.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

LEBANON AFLAME

Colonel Nasser had better understand one thing: his thugs will not be permitted to subvert Lebanon. There is altogether too much similarity between the armed infiltration of Lebanon from Syria and the fedayeen raids against Israel—which, as Nassar ought to remember, precipitated the Sinai war—for the current crisis to be dismissed as accidental. If Nasser has any thought for understanding with the West, his United Arab Republic will have to pay immediate heed to the protest from Lebanese Foreign Minister Malik against interference in that beleaguered country.

It may be said that not all of Lebanon's troubles can rightly be attributed to Nasser, who currently is away visiting the Soviet Union. This is true; conceivably the incursions from Syria have not been directly planned in Cairo. But there is a principle in law that also applies to nations in world affairs: a man is responsible for the logical consequences of his actions. Nasser's vicious propaganda from Cairo and Damascus has been beating an unceasing drumfire urging the Lebanese to overthrow the government of President Camille Chamoun. Nasser's incitement also may be seen in the senseless burning of a customs house and American libraries.

Even apart from Nasser's interference, the tiny Mediterranean republic has been torn by a quarrel that reflects divisions. Lebanon, with a slight christian majority (predominantly Maronite) and a strong Moslem minority has seemed to be a bridge between Western and Islamic cultures. By law the principal offices are divided among representatives of the various faiths. President Chamoun has been strongly pro-Western; but he has been under criticism for failure to take some of his nationalist-minded opponents into the cabinet. A latter-day compromise has been overshadowed by the move to amend the constitution so as to permit M. Chamoun a second 6-year term.

The strains are academic, however, in the problem at hand. The West has a major stake in preserving Lebanese independence, and it must stand by the Chamoun government. If Lebanon were swallowed up in the United Arab Republic, Nasser would control all of the eastern Mediterranean seacoast south of Turkey except for Israel. This would give him added leverage against the rival Iraqi-Jordanian federation and certainly would intensify the pressures and dangers in Arab-Israeli frictions.

Help to Lebanon under the Eisenhower doctrine probably would be impractical at the moment, for there would have to be a showing of Communist design. But, barring action by the United Nations Security Council, the General Assembly could be summoned quickly under the uniting-for-peace resolution. The United States could extend further military aid by bilateral agreement; and the nearby Sixth Fleet presumably would be available for emergency assistance.

It is hard to believe that Colonel Nasser, whose own skin was saved by the United Nations, would be so foolish as to invite such action. But the tactics in Lebanon are familiar, and the mobs and violence give a hollow ring to Arab unity. American reassurance to Lebanon and a clear warning to Nasser that he will not be allowed to get away with any power play would be the most useful immediate step.

DISARMAMENT POLICIES AND PROPOSALS

Mr. HUMPHREY. Mr. President, the Senate Subcommittee on Disarmament has attempted to make a constructive contribution to the development and understanding of American foreign policy, particularly with reference to disarmament policies and proposals. One of the most useful and conscientious members of the subcommittee is the junior Senator from Missouri [Mr. SYMINGTON].

Senator SYMINGTON is regarded as one of our Nation's foremost experts in the area of national defense and security. Recognizing the importance of our Nation always being strong and prepared, he, nevertheless, has urged that our leaders be ever ready to negotiate with the Soviet Union in order to ease international tensions and reduce the burdens of armaments. Senator SYMINGTON has stated again and again that if we are to be successful in any negotiations with the Soviet Union, those negotiations on our part must be based on a position of strength—strength that comes from being fully prepared to meet any military threat, strength of an expanding economy—strength of friendly allies, and favorable world opinion.

The junior Senator from Missouri has been one of those who has sought to obtain an effective disarmament agreement, provided that such agreement includes a comprehensive and effective inspection and detection system to safeguard our national security.

Recently the noted columnist, Holmes Alexander, outlined Senator SYMINGTON's interest in the subject of disarmament and national security in a column entitled "The Summit Sunrise: Arm, Keep Talking, Symington Plan." Mr. Alexander has described in clear and concise terms the position of Senator SYMINGTON.

I ask unanimous consent that the article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Boston Herald]

ARM, KEEP TALKING SYMINGTON PLAN

(By Holmes Alexander)

WASHINGTON.—The human body is supposed to renew itself completely every 7 years, and maybe the human civilization of this planet runs a cycle, too. I have in mind a book, "The Challenge of Man's Future," which I borrowed from Senator SYMINGTON'S office after listening to the Senator cross question its author, Dr. Harrison Brown, of California Tech. There is a marked passage in the book's preface where, it appears to me, the thesis is set forth:

"For the fifth of the world's population that lives in regions of machine culture, it is a period of unprecedented abundance. * * * However * * * a cosmic gambler, looking at us from afar, would in all likelihood give substantial odds * * * that would soon disappear, never again to come into existence."

Dr. Brown goes on for nearly 300 pages to show that an H-war would destroy the civilization built up and supported by machinery; but that it would spare the vast Afro-Asian areas of desert and jungle which continue as a lean and hungry agrarian civilization. In other words, the human race would have swung the cycle—through ages of grass, stone, iron, and machinery—back to earthly living once more. Mutation, not annihilation, would be the fate of man.

RESISTS PATTERN

But man, at least machine-age man, for whom SYMINGTON is an affable and informed spokesman, does not wish it that way. The Senator is only one of many of us who resist this pattern. The H-bomb may be new; but the struggle which surrounds it is old. This is the ancient battle of free will versus predestination. It is the God-man versus the beast-man. It is the teeth-gritting determination of the race to avoid returning to its old homestead, the sod. And despite the tendency of humanity to ride the merry-go-round back to where we started, there is something in us that says—be the boss.

SYMINGTON, speaking his own language as a former industrialist, was comparing labor-management disputes with those between communism and the West. You talk and talk, he said, then:

"Suddenly, the sun comes up."

The Senator feels that something good can arise from keeping up the negotiations on world disarmament, but he also feels that we must negotiate intelligently. The Symington plan would run somewhat as follows:

By all means go ahead with the nuclear tests already planned. It would be madness to permit Russia to propagandize us into following her policy, as so many hidden Communists and their dupes are urging. The fall-out of strontium 90 and cesium 137 particles are not nearly so damaging to the human race as communism is. It would be cowardice to save our genes and lose our souls.

Maintain preparedness, not just for a world war, but also for regional or tactical wars. To SYMINGTON this means that our Army must be air-borne. The British humiliation at Suez in 1956, says SYMINGTON, was epitomized by the British minister who

said: "We were 4 days sailing time from Malta." Sailing time. Yet, today, the U. S. A. has competent airlift for only two battle groups, less than one division. Symington wants to see a building program for aerial troop carriers. He favors two Douglas planes, the C–133 of which we have a few, and the C–132 which is twice as commodious and of which we have none. He is also favorably impressed with the Martin Sea Mistress, a seaplane prototype. With five divisions already in Europe, we need the capability of backing them up.

THINKS IKE WRONG

After the planned Pacific tests of nuclear weapons, and while attaining a readiness to fight big or small wars, we should always be willing to talk things over with the Russians. SYMINGTON thinks the administration makes a mistake in stipulating a cessation of nuclear production. Progress is an important product in itself. If we progressed to the point of halting further tests, and of exchanging inspectors to any significant degree, it would be a real gain in forestalling the doom of mutual destruction.

These are thoughts to ponder if we really do go to the Summit with the Russian leaders this year. First, an independence of policy; second, a posture of military readiness; finally, a willingness to talk and talk and talk in hope, as SYMINGTON says, that—"Suddenly the sun comes up."

BILLIONS FOR MISSILES BUT UNITED STATES LACKS FUNDS FOR HEART WORK

Mr. NEUBERGER. Mr. President, while we are appropriating billions of dollars for missiles to carry nuclear warheads into space, a project is languishing for lack of funds which might bring the gift of life to stricken American children.

This is not histrionics or theatrical exaggerations on my part. It is the plain, shocking truth.

Despite our budget of some $75 billion or more—the great bulk of it for armaments—an undertaking to heal the hearts of American boys and girls has had to be abandoned for lack of funds.

I am proud that I introduced legislation back on March 17, 1958, to prevent such an eventuality. Alas, such a bill has had to originate in the House of Representatives under our Constitution, because it is regarded as social-security legislation—which must start in the other body. As of this date, no bill has been introduced in the House to accomplish the purpose which we seek. It is my hope that the disturbing abandonment of the heart-operation project at the University of Minnesota will shock some House Members into sponsoring a companion bill to my own S. 3504, because their compassion and understanding are no less great than our own.

Mr. President, my bill raises the statutory limit on maternal and child health to $25 million for each fiscal year, from the present $16.5 million and $15 million, respectively. This $25 million figure is based on a thorough analysis of the job ahead and of the financial problems faced by the States which participate in the grant-in-aid programs of the Children's Bureau. Unfortunately, many of the scientific advances of the last decade which would allow for normal and near-normal lives for our less fortunate children have not been available to these children because an increase in costs, an increase in the child population, and an increase in the need for trained personnel have consumed the limited funds. The cost per child for open-heart surgery, including hospital care, runs from $2,000 to $3,000.

Indicative of the merit in an increase in funds for the program of the Children's Bureau is the widespread support which my bill has received from State and private welfare organizations, health officers, and parents organizations from across the Nation. Only yesterday, the publisher and president of Parents magazine, and chairman of the American Parents Committee, Mr. George J. Hecht, met with me to express his wholehearted support of an increase in funds for the Children's Bureau programs. Mr. Hecht's experience in the field of child welfare and association with such other noted authorities as Dr. Martha Eliot, chairman of the department of maternal and child health, Harvard University, has convinced him of the urgent need for adequate Federal funds.

So that my colleagues, Mr. President, may have a more profound realization of the achievements of science which are being denied our children, I ask that the moving story from the New York Times of May 12, 1958, entitled "United States Lacks Money for Heart Work" be printed in the body of the RECORD. I hope that such a headline will not appear when the 85th Congress has completed its work.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

UNITED STATES LACKS MONEY FOR HEART WORK—SPECIAL FUND FOR OPERATIONS ON CRIPPLED CHILDREN AT UNIVERSITY OF MINNESOTA RUNS OUT

(By Bess Furman)

WASHINGTON, May 11.—The Federal Government has run out of funds for its successful program in the new open-heart surgery. The technique swiftly restores children born with holes between heart chambers.

The program has aided 400 children born with crippled hearts in the last 2½ years. Seventy children from 16 States are on the waiting list. Sixty-nine more children have applied, but the requests of their parents have not even been processed.

Parents eager to have their boys and girls have normal activities are writing to President Eisenhower, the Federal Children's Bureau, and their Representatives.

One letter addressed by parents to the White House read:

"We don't like to postpone this operation. We know the longer it is put off the less chance she has."

AT MINNESOTA HOSPITAL

When the Federal Government initiated its open-heart surgery project at the University of Minnesota Hospital, nobody knew how many children in the United States were thus affected.

It was known that no one State had enough such children to start a new project for them, nor could the States individually bear the expense. The cost per child for open-heart surgery, including hospital care, runs from $2,000 to $3,000.

Moreover the highly technical surgery, requiring a team of specialists, had been developed and was available only at the Minnesota institution.

Under such circumstances, the Children's Bureau was empowered under the crippled children's provisions of the Social Security Act to set up a trail-blazing project with no matching funds from the States.

By January 21, 1958, the $100,000 set aside for open-heart surgery was gone. A telegram went out to all the States from the Children's Bureau saying that no more applications could be accepted. However, the pressure of parents was such that waiting lists were set up in the States.

FUNDS ARE EXHAUSTED

From crippled children's funds that had been unexpended in some States $30,000 more was scraped together. This money also has been exhausted. No more open-heart operations can be undertaken under Children's Bureau auspices until after the end of the fiscal year, June 30.

The Bureau cannot ask a deficiency appropriation, since its legal limit of $15 million annually for the crippled children's program has been reached.

Senator RICHARD L. NEUBERGER, Democrat, of Oregon, has introduced a bill to raise this ceiling to $25 million and to raise the limit for maternal and child health services from $16,500,000 to $25 million.

Dr. Martha Eliot, former Chief of the Children's Bureau and now a faculty member in the Harvard School of Public Health, is active in behalf of this legislation.

The open-heart operation is considered most important because in many cases it saves the lives of children who would die if it were not performed. The life span in the serious cases is short. It also makes active lives possible for those who otherwise would be semi-invalids.

INVESTIGATION OF AMERICAN RELATIONS WITH LATIN-AMERICAN COUNTRIES

Mr. MORSE. Mr. President, I should like to have printed in the RECORD at this point a statement which I have issued today, in calling a meeting of the Subcommittee on Latin American Affairs of the Committee on Foreign Relations, to be held tomorrow morning at 9:15, for the purpose of deciding what procedure and hearing agenda the subcommittee should recommend to the full Foreign Relations Committee of the Senate in respect to conducting an investigation into South American affairs.

I ask unanimous consent that the statement be printed in the RECORD at this point.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

MORSE CALLS SUBCOMMITTEE MEETING FOR LATIN-AMERICAN HEARINGS

Senator WAYNE MORSE, chairman of the Subcommittee on American Republics of the Senate Foreign Relations Committee, announced that he has called a meeting of the subcommittee for tomorrow morning to discuss hearings on Latin America.

"In the past few days the United States suffered a major foreign policy setback in Latin America. The riots attending the Vice President's tour were most unfortunate not only for him but the hemisphere. What started out as a good-will tour ended in near disaster.

"At tomorrow's meeting I shall recommend to the subcommittee a series of hearings to begin next week. I shall propose calling State Department and CIA witnesses to learn what they knew of the potential for the outbreaks of violence and anti-Americanism before the Vice President scheduled his trip. We should know whether these agencies were ignorant or knowingly undertaking a gamble.

"The riots crystallized what should have been apparent long before this—our basic policies in Latin America have been unwise and inadequate. The second stage of hearings, I propose, will go into a study of Latin American discontent with United States economic, military, and political policies. After all, the Vice President was the representative of the United States and the demonstrations against him were directed against our country and its policies. Violence is not to be condoned; but let us read the warning signs of discontent before it hardens into hatred.

"As these countries throw off dictatorships, our relations should improve. Instead our relations with these countries have degenerated. It is a matter of urgency to conduct a thorough inquiry into United States policies in the Western Hemisphere so that we can reappraise those policies and strengthen both democracy and hemispheric good relations. We must get the good neighbor policy back on the track."

Mr. MORSE. I wish to make clear that my subcommittee is meeting tomorrow at 9:15 a. m. so that we can have some recommendations ready to present to a 10 a. m. meeting of the full committee. It may be that the full committee will prefer to conduct such hearings. In any event my subcommittee must have the authorization of the full committee before we can proceed with any subcommittee hearing. I understand that the Senator from Pennsylvania [Mr. CLARK] earlier today inserted in the RECORD an article written by Mr. Walter Lippmann entitled "Days of Trouble." I wish to read a paragraph and a half of the article by Mr. Lippmann, because it bears upon the statement I wish to make on this subject. It shows that a very competent authority in this field shares the view of many who have spoken to me that an investigation of American relations with Latin America should be made. Mr. Lippmann says:

It is manifest that the whole South America tour was misconceived, that it was planned by men who did not know what was the state of mind in the cities the Vice President was to visit. For what has happened should never have been allowed to happen, and those who are responsible for the management of our relations with South America must answer to the charge of gross incompetence.

It is essential that this charge be investigated either by the Foreign Relations Committee of the Senate or, perhaps preferably, by a panel of specially qualified private citizens. We must fix and we must correct the causes which led our officials into this fiasco.

Mr. President, I do not know what the facts are in regard to the background features of the Vice President's trip. However it is our clear duty to find out what they are. I am glad that Mr. Lippmann wrote his column. There appears to be general agreement in the Senate that it is the clear duty of the Committee on Foreign Relations, either of the full committee or of a subcommittee, to conduct such an investigation. It is immaterial to me which group does it. The probability is that the subcommittee will be asked to do it because I am sure the full committee has confidence in the subcommittee. Senate committees should perform such functions rather than turn them over to some group of private citizens. It is to be noted that Mr. Lippmann suggested as an alternative that it might be preferable to have a group of private citizens conduct such an inquiry. I have noticed the trend in late years of asking Congressional committees to delegate their functions of inquiry to private groups. As a general rule I do not approve of it. I am glad that Mr. Lippmann has pointed out the obvious need for a thoroughgoing investigation of American relations with South America. If it is handled by my subcommittee or by the full Foreign Relations Committee the Senate can be sure that we will conduct a fair and impartial and thoroughgoing investigation into the entire subject. Such an investigation will lead, and must lead, into an investigation of American foreign policy in South America, which I believe is long overdue. It is my plan to submit the problem to the full Senate Foreign Relations Committee tomorrow morning.

I now turn to another subject.

The PRESIDING OFFICER. The Senator from Oregon has the floor.

UNEMPLOYMENT COMPENSATION

Mr. MORSE. Mr. President, I wish to read into the RECORD at this point a telegram which the Governor of my State, the Honorable Robert B. Holmes, sent to the Senator from Illinois [Mr. DOUGLAS]. It reads as follows:

SALEM, OREG., *May 13, 1958.*

Senator WAYNE MORSE,
United States Senator,
Senate Office Building,
Washington, D. C.:

I wired PAUL H. DOUGLAS the following message this date:

"Reurtel May 7 re House Resolution 12065. Am convinced that neither the Governor of Oregon nor the Unemployment Compensation Commission can request Federal funds that would constitute a loan repayable by the State or by an additional tax on employers and use those funds for payment of benefits not now provided for by State law. Our law puts a top limit on benefits of not more than $40 a week for not longer than 26 weeks. We could not pay benefits from such a loaned fund beyond the present statutory amounts without special authorization of our State legislature. Additional legislative action would be required to permit Oregon to operate under the terms of H. R. 12065 as it is now pending. The only way Oregon can make payment of extended benefits to exhaustees without additional legislation is by use of granted not loaned Federal funds for benefits and administrative costs. We now have a cooperative arrangement for payments under unemployment compensation for Federal employees and unemployment compensation for veterans under the Veterans Readjustment Assistance Act of 1952 using Federal funds and we could proceed under a similar arrangement for temporary additional benefits. I urge that Congress pass legislation which will provide Federal grant funds for payment of extended benefits. For 18 years before the Reed Act re distribution the Federal Government has collected and retained taxes far in excess of the administrative costs of the unemployment compensation program; the amount is approximately $1,800,000,000. In view of this the Federal Government should grant to the States the amounts necessary for payment of extended benefits and administration thereof rather than offer a loan which most States and certainly Oregon cannot accept. The provisions of the Kennedy bill are the most desirable for long-range strengthening of the unemployment compensation program, and I strongly urge favorable action on the Kennedy bill."

ROBERT D. HOLMES,
Governor of Oregon.

I have read the telegram into the RECORD because the other day I pointed out that I was satisfied that the House bill could not be made applicable to the State of Oregon without a special session of the legislature. It would require a special session of the Oregon Legislature if the bill were enacted into law and if its provisions were to apply to the State of Oregon. I associate myself with what the Governor of my State has said in his excellent telegram statement. It verifies the position I have taken on the matter.

In my judgment the Kennedy bill is the approach the Federal Government should take to meet the unemployment emergency which confronts us as far as improved unemployment benefit policies are concerned. The Federal Government should provide grants, not make loans to the States in respect to this subject. The people affected are hungry and they are out of work. They are entitle to some assistance from the Federal Government, because in my judgment many of the policies of the Federal Government have caused their unemployment.

CONSTRUCTION OF CERTAIN ROADS ON THE NAVAHO AND HOPI INDIAN RESERVATIONS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar No. 1549, S. 3468.

The PRESIDING OFFICER. The bill will be stated by title for the information of the Senate.

The LEGISLATIVE CLERK. A bill (S. 3468) to provide for the construction and improvement of certain roads on the Navaho and Hopi Indian Reservations.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

ORDER FOR ADJOURNMENT TO MONDAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate concludes its business today it stand adjourned until 12 o'clock noon on Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

NOTICE OF VISIT TO CONGRESS BY THE PRESIDENT OF THE FEDERAL REPUBLIC OF GERMANY

Mr. MANSFIELD. Mr. President, I announce for the information of the Senate that on Thursday, June 5, shortly after the Senate convenes, I shall move that the Senate take a recess in order that Members may join the House of Representatives to hear an address by President Theodore Heuss, of the Federal Republic of Germany, to be delivered in the House Chamber at 12:30.

I am making this announcement today in order that all Members may have notice of this address by the distinguished President of one of America's great allies.

LEGISLATIVE CALENDAR

Mr. DIRKSEN. Mr. President, may I inquire of the acting majority leader what major items of legislation will be on the agenda of the Senate next week? I understand that an appropriation bill may be considered.

Mr. MANSFIELD. The conference report on the postal pay bill will be considered on Tuesday. The independent offices appropriation bill will be considered later in the week. I imagine that measures on the calendar to which there is no objection will be disposed of on Wednesday. That is about all I can say at this time.

THE RIGHT OF MEN TO RECEIVE A JUST REMUNERATION

Mr. BUTLER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a provocative challenge to labor-management relations, entitled "The Right To Manage," written by A. Samuel Cook, a brilliant young attorney from Baltimore in my home State of Maryland.

This excellent article, written for the March 1958 issue of Labor Law Journal, which is published by the Commerce Clearing House, Inc., stresses the danger inherent in the existing trend toward what is usually called in Europe codetermination.

One of our great labor leaders is reliably reported to have said that the merger of management and labor may well be proper in the European countries but not in the American free-enterprise system.

In calling attention to this article, I point out that the individual personality of the workingman must never be destroyed by the battle for power engaged in by management groups or labor organizations. The preservation of the right of men to receive a just remuneration for the services rendered is essential to the preservation of freedom in our great country. It follows, therefore, that the inroads of either into the domain belonging as of right to the other submerges the right of the individual which should be government's first concern, and if not policed for the public good, freedom as we understand it will disappear.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

THE RIGHT TO MANAGE

(By A. Samuel Cook)

Under the Anglo-American common law, the essential element of the employer-employee relationship is the retention by the employer of the right to direct and control his employees in the performance of their work and the means by which their work shall be done.[1] The "right to manage" thus refers to that residual authority which management has traditionally held in order to carry out its responsibility of directing the enterprise. This freedom of action inherent in the common law status of the owner of a business establishment is also frequently described plurally as "management prerogatives" or "management functions."

Today it is an established principle in the private code of labor arbitration that the common law applicable to the relationship between an employer and his employees and their labor organization still vests in the employer the exclusive proprietary right to manage his business as he deems advisable, subject to such limitations as are imposed by statute or negotiated as part of a collective bargaining agreement.[2] This basic tenet relating to management prerogatives was reaffirmed by a Federal court on January 25, 1956. In the case of *United States Steel Corporation* v. *Nichols* the Court of Appeals for the Sixth Circuit ruled: "The relationship of master and servant or employer and employee is not dependent upon a collective bargaining contract. It has existed for innumerable years, long before the origin of the modern-day collective bargaining agreements as provided and made effective by the National Labor Relations Act. The common law rights inherent in such relationship still exist except to the extent that they may be modified by legislation or by the specific contract between the employer and the employee."[3]

The evolution of the common law right to manage and the inroads made upon it over the years reflect the dramatic development of industrial relations in the United States. At one time or another, almost every conceivable management prerogative has been successfully challenged by organized labor. The net result is that the historical line of division between management and labor is becoming obscure, and the merger may one day undermine our private enterprise economy.

STATUTORY RESTRICTIONS ON RIGHT TO MANAGE

The first recorded labor case in America was the trial of eight indicted cordwainers or bootmakers in the mayor's court in Philadelphia in March 1806. The jury consisted of 12 businessmen. The indictment charged that the eight defendants "did combine, conspire, and agree to increase and augment the prices and rates usually paid and allowed to them and unjustly to exact and procure great sums of money for their work and labor, to the damage, injury, and prejudice of the masters employing them, to the evil example of others and against the peace and dignity of the Commonwealth of Pennsylvania." The jury found the bootmakers "guilty of a combination to raise their wages." The court thereupon fined each defendant $8 and directed them to stand committed to jail until the fines were paid.

The Philadelphia cordwainers case set the precedent for indictments throughout the United States charging trade unions with criminal conspiracy in combining unlawfully to raise wages, and presaged the long uphill fight of employees to improve their working conditions. Their grievances were numerous and grave. Over the next 100 years, organized labor used every economic, political, and legal weapon at its command to force employer recognition and to fight the court injunction, regulation under the Sherman Antitrust Act, low wages, long hours of work, increased danger to life and limb in industrial employment, and the yellow dog contract requiring employees to refrain from becoming members of any labor union for the duration of their employment. As a result, beginning in 1900, the enactment of local, State, and Federal legislation gradually began to impose more and more limitations upon the inherent common law right of management unilaterally to determine the conditions of employment. Restrictions began to appear in laws pertaining to child labor, female labor, health and safety, workmen's compensation, unemployment insurance, social security, minimum wages, maximum hours, collective bargaining, and fair employment practices.

One of the first attempted statutory limitations on an employer's right to manage was made in 1914 with the passage by Congress of the Clayton Act. It declared that "the labor of a human being is not a commodity or article of commerce" and sought to exempt unions from prosecution under the antitrust laws. In 1926, the Railway Labor Act gave to railroad transportation employees the first Federal protection of the right to organize and bargain collectively. Six years later, with the passage of the Norris-La Guardia Act, industrial unions obtained relief from the rigors of court injunctions and the yellow dog contract. On July 5, 1935, Congress approved the Wagner Act (National Labor Relations Act), and Government sanction of the right of employees to organize and bargain collectively through representatives of their own choosing became the law of the land. This major restriction upon historical management prerogatives was accomplished by proscribing employer tactics in opposition to collective bargaining as unfair labor practices subject to injunctive orders of an administrative agency, the National Labor Relations Board, and enforced by the Federal courts of appeals. In 1937, the Supreme Court's 5-to-4 decision upholding the constitutionality of the Wagner Act[4] revolutionized industrial relations in the United States and unleashed great organizational drives by both the parent American Federation of Labor and its expelled offspring, the Congress of Industrial Organizations.

A combination of influences, including another major encroachment upon the inherent right to manager, motivated a revision of the national labor law in 1947. On March 10 of that year, a majority of the Supreme Court decided in the Packard Motor Car case that all supervisory personnel—presumably from foremen to company vice presidents—were "employees" within the meaning of the Wagner Act and, therefore, their unions formed for collective bargaining were entitled to recognition by employers. In a vigorous dissent, Justice Douglas said:

"The present decision * * * tends to obliterate the line between management and labor. It lends the sanctions of Federal law to unionization at all levels of the industrial hierarchy. * * * The struggle for control or power between management and labor becomes secondary to a growing unity in their common demands on ownership.

"* * * if Congress, when it enacted the National Labor Relations Act, had in mind such a basic change in industrial philosophy, it would have left some clear and unmistakable trace of that purpose. But I find none."[5]

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[1] 56 Corpus Juris Secundum 33, sec. 2 (1): 35 American Jurisprudence 445–446, secs. 2–3.

[2] *Pacific Airmotive Corporation* (21 LA 76, 79 (1953)); *Illinois Bell Telephone Company* (15 LA 274, 280 (1950)); *Kellogg Company* (11 LA 896, 901 (1948)); *Pittsburgh Tube Company* (9 LA 834, 839–840 (1948)); *Columbia Carbon Company* (8 LA 634, 637–638 (1947)); *Blackhawk Manufacturing Company* (7 LA 943, 945 (1947)); *Goetz Ice Company* (7 LA 412, 413–414 (1947)).

[3] *United States Steel Corporation* v. *Nichols* (29 Labor Cases) par. 69,713, 229 F (2d) 396 (CA–6, 1956), cert. den., 351 U. S. 950 (1956). See also *NLRB* v. *Jones & Laughlin Steel Corporation* (1 Labor Case, par. 17,017, 301 U. S. 1 (1937)).

[4] *NLRB* v. *Jones & Laughlin Steel Corporation*, cited at footnote 3.

[5] *Packard Motor Car Co. (Detroit plants)* v. *NLRB* (12 Labor Cases, par. 51,240, 330, U. S. 485 (1947)).

One month later the original bill to amend the Wagner Act was submitted to the Senate, accompanied by an explanatory report from its labor committee. The report noted the dissent of Justice Douglas in the Packard Motor Car case, with the significant observation: "A recent development which probably more than any other single factor has upset any real balance of power in the collective bargaining process has been the successful efforts of labor organizations to invoke the Wagner Act for covering supervisory personnel, traditionally regarded as part of management, into organizations composed of or subservient to the unions of the very men they were hired to supervise." As one illustration of the folly of permitting a continuation of this policy, the report cited the fact that after foremen in the mines of the Jones & Laughlin Steel Corp. were organized by the United Mine Workers under the protection of the Wagner Act, disciplinary slips fell off by two-thirds and the accident rate in each mine doubled.[6]

The amendatory Taft-Hartley Act (Labor Management Relations Act) was passed over the veto of President Truman by a bipartisan majority of the Congress on June 23, 1947. In a speech before the Senate, the act's coauthor, Robert A. Taft, summarized his views of the basis for this new legislation: "The truth is that originally, before the passage of any of the laws dealing with labor, the employer had all the advantage. He had the employees at his mercy, and he could practically in most cases dictate the terms which he wished to impose. Congress passed the Clayton Act, the Norris-La Guardia Act, and the Wagner Act. The latter act was interpreted by a completely prejudiced Board in such a way that it went far beyond the original intention of Congress, until we reached a point where the balance had shifted over to the other side, where the labor leaders had every advantage in collective-bargaining and were relieved from any liability in breaking the contract after they had made the bargain. * * * All we have tried to do is to swing that balance back, not too far, to a point where the parties can deal equally with each other and where they have approximately equal power. * * * There will be no free collective bargaining until both sides are equally responsible." [7]

Thus, one of the Taft-Hartley Act's basic purposes, as stated in its declaration of policy, is "to prescribe the legitimate rights of both employees and employers in their relations affecting commerce * * * (and) to provide orderly and peaceful procedures for preventing the interference by either with the legitimate rights of the other." By way of effectuating this purpose, section 14 (a) of the new labor law negated the Supreme Court's decision in the Packard Motor Car case through elimination of supervisory personnel from the collective bargaining unit, and section 8 (a) (2) adopted verbatim the language of section 8 (2) of the original Wagner Act in proscribing as an unfair labor practice any type of employer participation in the formation or administration of a labor organization.

During the 10 years of the Taft-Hartley Act, as under the predecessor Wagner Act, the labor union movement has continued to grow in numbers and in political and economic strength. According to a survey recently released by the Federal Bureau of Labor Statistics, four-fifths of production workers and one-sixth of office and clerical personnel are covered by collective bargaining agreements governing the working conditions of more than 18 million employees. As the ninth circuit has observed: "Now, labor and industry speaks with equal dignity. * * * We think it no longer proper to assume that the American employee is a craven individual afraid to stand up and express himself freely on the subject of his own welfare." [8] The president of the unified AFL-CIO, George Meany, summed it up this way: "American labor has come of age. No longer can we take the position that we are the underdog." [9]

LABOR'S NEW GOAL: VOICE IN MANAGEMENT

The strict interpretation given section 8 (a) (2) of the Taft-Hartley Act by the National Labor Relations Board and the Federal courts has afforded effective protection against employer participation in the internal affairs of labor unions. But despite the express purpose of the national labor law to separate and equate the employee status and the managerial function, the historical line of division between labor and management is becoming obscure and the merger is bringing into focus an enigma that may undermine our private enterprise economy. Organized labor is gaining contractual and proprietary interests in business enterprises as a lever for codetermination and coadministration of management functions and responsibilities. Many of the powerful labor leaders of today have abandoned a major premise of their founding father, Samuel Gompers, and are quietly moving toward a new union goal: a voice in management, a place on the governing boards of corporations. The trend is in that general direction.

Like labor's economic objectives, this new goal has no definite terminal point. It is timeless and ever expanding. As early as 1945, one of the topics on the agenda of President Truman's National Labor-Management Conference was "the extent to which industrial disputes can be minimized by full and genuine acceptance by organized labor of the inherent right and responsibilities of management to direct the operation of an enterprise." No agreement could be reached on that issue. The labor members of the committee reported that it was unwise to specify and classify the functions and responsibilities of management because experience showed that "with the growth of mutual understanding, the responsibilities of one of the parties today may well become the joint responsibility of both parties tomorrow." The management members, in a separate statement, concluded that "the labor members are convinced that the field of collective bargaining will, in all probability, continue to expand into the field of management." [10]

Six years later, at its 1951 convention, the CIO announced one of its objectives to be an equal voice with management in determining prices, production levels, rate of expansion, technological changes, and location of plants. In March 1957, one of the unsuccessful contract demands of the International Association of Machinists, an old-line AFL craft union, upon Cities Service Oil Co. was "joint rights with the company to manage the plant, supervise the working force, and hire and discharge for cause."

Many unions and their professional leaders are making steady progress toward this new objective. Employers are witnessing increasing inroads upon what were traditionally regarded as management prerogatives through collective bargaining pressures and arbitration, as well as by legislative, administrative, and judicial process.

INROADS THROUGH EXPANSION OF COMPULSORY BARGAINING ARENA

One of the basic union techniques for gaining codetermination of management functions has been the sponsorship of legislation and litigation directed toward extension of the compulsory bargaining arena. Under free collective bargaining, the parties were at liberty to negotiate or refuse to negotiate on any subject without Government intervention. But section 8 (d) of the Taft-Hartley Act spells out the mandatory bargaining duty imposed upon management and labor to "meet at reasonable times and confer in good faith with respect to wages, hours, and other terms and conditions of employment." The provision has been under constant legal barrage by unions and, as a result, the National Labor Relations Board and the Federal courts have gradually extended the scope of compulsory bargaining to include anything directly or indirectly affecting the employment relationship. This actually has caused the sixth circuit to observe that "management and labor are now being required to bargain collectively about issues which formerly were not considered as proper issues for inclusion in the usual collective bargaining agreement," such as retirement and pension plans, group insurance programs, stock-purchase plans, and Christmas bonuses.[11] No employer can feel assured that a matter which was formerly considered within his managerial discretion and outside the scope of section 8 (d) will not be ruled within the realm of mandatory bargaining at a later time.

Infringement upon traditional management prerogatives has also resulted from the good-faith bargaining duty of section 8 (d), even though the section recognizes that such obligation does not compel either party to agree to a proposal or require the making of a concession. In an early test of the construction of section 8 (d), the NLRB held, in the American National Insurance case,[12] that an employer's insistence to the point of impasse on a management functions clause rendering nonarbitrable such matters as work scheduling and disciplinary action for cause actually was bad faith bargaining and thus constituted a per se unfair labor practice. This vital clause had been placed on the bargaining table by the company as a counterproposal to the union's demand for unlimited arbitration of all disputes arising between the parties. Although the Supreme Court upheld the Fifth Circuit Court's reversal of the Labor Board's finding of an illegal refusal to bargain by the company, the majority opinion noted: "The duty to bargain collectively is to be enforced by application of the good faith bargaining standards of section 8 (d) to the facts of each case rather than by prohibiting all employers in every industry from bargaining for management functions clauses altogether." [13] According to NLRB Member Joseph Jenkins, this statement by the Supreme Court implies that some management prerogative clause proposals may evidence bad faith.[14] Employers should not overlook the fact, however, that the Supreme Court also observed, in the American National Insurance case, that "it is now apparent from the statute itself that the act does not encourage a party to engage in fruitless marathon discussions at the expense of frank statements and support of his position. And it is

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[6] Legislative History of Labor-Management Relations Act, vol. I, pp. 409–410 (1947); S. Rept. 105, 80th Cong., 1st sess.

[7] Legislative History of Labor-Management Relations Act, vol. II, p. 1654; 93 CONGRESSIONAL RECORD, No. 119.

[8] *NLRB* v. *Roberts Brothers*, (28 labor cases, par. 69,356, 225 F. (2d) 58 (CA–9, 1955)).

[9] Address before UAW convention, May 7, 1957.

[10] Bulletin No. 77, United States Department of Labor (1946); Senate Labor Committee report (82d Cong., 2d sess.), p. 34 (1951).

[11] *NLRB* v. *Borg-Warner Corporation (Wooster Division)* (31 Labor Cases, par. 70,210, 236 F. (2d) 898 (CA–6, 1956)).

[12] American National Insurance Company (89 NLRB 185 (1950)).

[13] *NLRB* v. *American National Insurance Company* (21 Labor Cases, Par. 66,980, 343 U. S. 395 (1952)).

[14] Address before Texas Bar Association, July 5, 1957.

equally clear that the Board may not, either directly or indirectly, compel concessions or otherwise sit in judgment upon the substantive terms of collective bargaining agreements."

Management is further obliged as a part of the section 8 (d) good-faith bargaining duty to furnish the union representing its employees with "sufficient information to enable it to bargain intelligently, to understand and discuss the issues raised by the employer in opposition to the union's demands, and to administer a contract." [15] Under this rule the courts have held that such information should not necessarily be limited to that which would be pertinent to a particular existing controversy.[16] If the data is sought for wage negotiations, the union need not even make an initial showing of its relevance.[17] If management bases its refusal to grant a union's wage demands on financial inability to pay the increase, the union can obtain a court decree requiring the company to substantiate its claim by sufficient relevant information from its corporate books and records to enable the union to understand the reason for the employer's stand.[18]

The Supreme Court recently reversed the Fourth Circuit Court of Appeals and upheld a Board order requiring an employer to document its claim of inability to pay, even though management considered such financial data to be confidential and its disclosure to competitors could be used to the company's great damage. The Court did add this qualification: "We do not hold, however, that in every case in which economic inability is raised as an argument against increased wages it automatically follows that the employees are entitled to substantiating evidence. Each case must turn upon its particular facts. The inquiry must always be whether or not under the circumstances of the particular case the statutory obligation to bargain in good faith has been met." [19]

Although the point is relatively untested, it has been held by the Second Circuit Court of Appeals that the duty to bargain continues throughout the term of the established labor contract as to those subjects which were neither discussed in the negotiations leading up to the contract nor embodied in the contract.[20] An employer must also furnish a union, upon request, sufficient data necessary for the processing of grievances, to police the administration of the existing agreement and to prepare for future contract negotiations.[21]

[15] Seventeenth Annual Report of the National Labor Relations Board (1952), p. 172.

[16] *NLRB* v. *Whitin Machine Works* (27 Labor Cases, par. 68,862, 217 F. (2d) 593 (CA–4, 1954), cert. den., 349 U. S. 905).

[17] *NLRB* v. *Yawman & Erbe Manufacturing Company* (19 Labor Cases par. 66,262, 187 F. (2d) 947 (CA–2, 1951)). See also *NLRB* v. *F. W. Woolworth Company* (31 Labor Cases, par. 70,351, 352 U. S. 938 (1956)).

[18] *NLRB* v. *Jacobs Manufacturing Company*, 21 Labor Cases, par. 66,949, 196 F. (2d) 680 (CA–2, 1952); *Southern Saddlery Company*, 90 NLRB 1205 (1950)).

[19] *NLRB* v. *Truitt Manufacturing Company* (30 Labor Cases, par. 69,932, 351 U. S. 149 (1956)), rev'g (28 Labor Cases, par. 69,401, 224 F. (2d) 869 (CA–4, 1955)). Cf. *Pine Industrial Relations Committee, Inc.*, 118 NLRB, No. 142 (1957).

[20] *NLRB* v. *Jacobs Manufacturing Co.*, cited at footnote 18. But see Cox and Dunlop, "Duty To Bargain During Term of Agreement," 63 Harvard Law Review 1097, 1125 (1950).

[21] *General Controls Co.* (88 NLRB 1341 (1950)); *Otis Elevator Co.* (102 NLRB 770 (1953)), enforced on this point, 24 Labor Cases, par. 67,962, 208 F. (2d) 176 (CA–2, (1953)).

Now that organized labor has come of age, its arsenal of economic weapons insures management's consideration of all union proposals at the bargaining table. While the parties may freely bargain on any subject not forbidden by law and which is mutually acceptable to them, compulsory bargaining issues under the Taft-Hartley Act should be restricted by Congress to wage rates and on-the-job working conditions, in order to remove Government sanction of further union encroachment upon the legitimate functions of management in a free society.

INROADS THROUGH RESTRICTIVE CONTRACT PROVISIONS

Another customary union strategem for infringing upon the inherent right to manage is thinly disguised in certain types of contract proposals. Many management negotiators have been lulled into a sense of false security by their successful resistance to unreasonable wage demands only to see the efficiency of company operations curtailed by restrictive contractual language. Several of the provisions most commonly sought by professional union negotiators are mutual-consent clauses requiring union approval before management may act on such matters as production schedules, promotions, layoffs, or assignment of work; joint labor-management committees with the power to make managerial decisions rather than the advisory capacity to recommend; extended trial periods to determine relative ability for promotion; seniority rather than qualifications as the decisive factor governing all movement of employees; and chain replacement or "bumping" rights over junior employees at the time of transfer or layoff.

Union participation in such important management functions as merit rating or promotion of employees is the product of over-the-table bargaining, not of any statute. Employers should heed the unqualified statement of Prof. Sumner Slichter of Harvard University that "the determination of merit is a responsibility of management. Indeed, that is what they are hired for. The requirement that promotions be based on seniority deprives managers of the opportunity to exercise some of their most important skills." [22]

According to a recent United States Department of Labor survey, 31 labor contracts covering 233,000 workers have established joint labor-management committees empowered to cope with the problem of operating efficiency and the broader problem of stabilization of economic conditions in an entire industry.[23] Elaborate collective bargaining agreements establishing joint union-company boards to administer plans providing pensions, health and life insurance, supplemental unemployment benefits and guaranteed annual wages are also becoming prevalent. The joint responsibility for protection of the funds accruing to underwrite these plans will inevitably lead some unions to seek a voice in the consideration of measures that will insure the fund's existence, including the company's methods of operation, the products to be manufactured, the company's sales program and financial position.

In order for managerial authority to remain vested in those charged with the responsibility for the successful operation of the enterprise, there should be no contractual limitation on an employer's exclusive control over the following matters: size of work force; job content; quality and quantity standards; number of hours to be worked; starting and quitting times; amount and assignment of straight time and overtime work; production schedules and number of shifts; subcontracting of work; production and maintenance methods; machinery and equipment; products to be manufactured; pricing and marketing of products; customer relations; size and character of inventories; corporate financial policy; number, location, and operation of plants and their expanison or curtailment; selection of employees for positions excluded from the collective bargaining unit; and safety, health, and property protection policies where legal responsibility of the employer is involved. The right to manage should also include the authority to hire, retire, promote, demote, transfer, layoff, and recall to work, as well as suspend, discharge or otherwise discipline employees, and establish plant rules, policies and practices for the direction of the work force.

A comparison of the labor contracts of 10 years ago with those of today—not as to wages and fringe benefits, but as to those matters which affect operating efficiency—leads to the conclusion that management is paying a severe penalty for its failure to foresee the consequences of some of the restrictive provisions it has naively and needlessly allowed to infiltrate collective bargaining agreements. Employees, as opposed to many of their professional labor representatives, have shown little or no inclination to strike for codetermination of management functions.

INROADS THROUGH ADMINISTRATION OF LABOR CONTRACT

Union negotiators give high priority on their list of bargaining demands to a contractual provision requiring unlimited arbitration of any and all disputes arising between the parties during the life of the collective bargaining agreement. Because the issue inevitably involves a union challenge of some administrative decision of management, the union appeals to arbitration in the enviable position of having everything to gain and nothing to lose. To the extent that the arbitrator's award favors the union, its authority in the management of the enterprise has been extended.

The obligation to arbitrate is purely contractual. An arbitrator has no inherent jurisdiction. He may decide only what the parties have agreed to submit to him for decision under the terms of the arbitration clause of the collective bargaining agreement. This preliminary question of arbitrability may be resolved by the courts, unless some prior agreement or action of the party challenging arbitral jurisdiction constitutes a waiver of judicial review.[24] The award of an arbitrator on the merits of the dispute, however, is usually made final and binding on the parties and, therefore, it cannot be set aside for errors of judgment either as to the law or the facts. It operates as a conclusive settlement of the controversy unless the arbitrator exceeds his jurisdiction or is guilty of fraud, corruption, partiality, refusal to hear material evidence, or other misconduct prejudicing the rights of any party. In the absence of one of these grounds for vacating an award, it will be enforced by the courts.[25]

[22] Slichter, The Challenge of Industrial Relations (Cornell University Press, 1947), pp. 37–38.

[23] Collective Bargaining Clauses, Bulletin No. 1202 (U. S. Department of Labor, 1957), p. 23.

[24] Annotation, 24 A. L. R. (2d) 752 (1952); 3 American Jurisprudence 868–870, sec. 41; Elkouri, How Arbitration Works (Bureau of National Affairs, Inc., 1952), pp. 36–37.

[25] Scoles, Review of Labor Arbitration Awards on Jurisdictional Grounds, 17 University of Chicago Law Review 616 (1950); 3 American Jurisprudence 958–961, secs. 135–136; Rothstein, Vacation of Awards for Fraud, Bias, Misconduct and Partiality, 10 Vanderbilt Law Review 813 (June 1957); Justin, Arbitrability and the Arbitrator's Jurisdiction, Management Rights and the Arbitration Process (Bureau of National Affairs, Inc., 1956), p. 1.

More than 90 percent of an estimated 125,000 labor contracts in the United States today require arbitration of unresolved disputes between parties.[26] The scope of arbitral jurisdiction under these provisions is steadily expanding. For example, management's judgment of qualifications for promotion is specifically subjected to arbitration under two-thirds of current contracts, whereas in 1954 only half of such provisions made promotional decisions arbitrable. Some arbitration clauses now provide broadly for arbitration of all unsettled grievances and differences of any nature which arise between the parties. Other clauses limit arbitration to disputes arising over the interpretation and application of the actual contract terms. A few contain further specific restrictions on the arbitrator's jurisdiction.

The opinions and awards of arbitrators within their expanding jurisdiction during the past 10 years have introduced the most complete and binding set of rules in labor relations since Government sanction of unionization and collective bargaining under the Wagner and Taft-Hartley Acts. Although not generally recognized, it is an undeniable fact that arbitrators are establishing the fundamental principles for administering day-to-day industrial relations in America.

This rapidly developing industrial code for settling the formal grievances of labor through ad hoc arbitration and permanent umpire systems cannot be fitted into the conventional legal framework. Its impact upon the inherent right to manage is discussed by Prof. Frank Elkouri in his authoritative text, How Arbitration Works: "The extensive use of labor-management arbitration is resulting in the evolution of a private system of industrial jurisprudence. Included within the growing body of industrial rulings are many involving management prerogative issues. While legal principles as well as court and administrative board decisions loom in the background, there is, generally speaking, no absolute requirement that these be observed by arbitrators. It should be recognized, therefore, that industrial case law is in itself a separate and distinct institution."

The labor relations arbitrator thus plies a unique profession. His knowledge and experience are seldom gained in the camp of either management or labor, for his impartiality would immediately be challenged by the opposition. Through the process of elimination, academic or government service usually provides the neutral background required for his acceptance by both parties. Unlike the court judge, the labor relations arbitrator is the mutual agent of the parties to the dispute. He is jointly selected by them and proceeds at their discretion.[27] Each time he renders a decisive award, he disappoints one or the other of his two principals. He therefore feels a natural urge to compromise the dispute whenever possible. James Hoffa, the controversial leader of the International Brotherhood of Teamsters, candidly quotes a well-known labor maxim: "Arbitrators split it down the middle, half for you, half for me. If they don't, they are scratched off the list the next time somebody needs an arbitrator."[28] The late Chief Justice Vanderbilt of the New Jersey Supreme Court couched a similar opinion in more judicial prose: "Unless standards are set up in any submission to arbitration the tendency to compromise and be guided in part by expediency as distinguished from objective considerations and real right is inevitable."[29] Under even more compulsion to split awards than the ad hoc arbitrator is the umpire chosen by the parties to arbitrate all disputes over a prolonged period of time. It is not uncommon practice for the party who begins to surge ahead in the numerical count of won and lost decisions to lose intentionally a few relatively minor cases so as to be in a competitive position to win the next important dispute.

Two recent surveys reflect this pressure on labor arbitrators to infringe upon traditional management functions and equalize their pro-and-con awards. Arbitrator Fred Holly based his study on some 1,000 discharge cases occurring during the period from 1942 through 1956. The American Arbitration Association report is grounded upon 1,183 awards rendered within the calendar year 1954. Both of these surveys reveal that management has been upheld in discharging employees less than 50 percent of the time, in spite of the fact that very few of the arbitrators' awards reinstating terminated employees resulted from findings that the employees were innocent of the charges leveled against them. Usually, the terminated employees' grievances were upheld because of mitigating factors such as provocation or an unblemished service record.[30] Labor's success in using the arbitration process to usurp employer prerogatives becomes even more apparent when the findings of the American Arbitration Association and Arbitrator Holly are contrasted with the basic principle upon which Arbitrator Whitley McCoy upheld, in 1945, the discharge of a 10-year employee: "The mere fact that management has imposed a somewhat different penalty or a somewhat more severe penalty than the arbitrator would have, if he had had the decision to make originally, is no justification for changing it. * * * If an arbitrator could substitute his judgment and discretion for the judgment and discretion honestly exercised by mangement, then the functions of management would have been abdicated, and unions would take every case to arbitration."[31]

It is therefore evident that over the years many arbitrators have succumbed to mounting union pressure for coadministration of inherent employer responsibilities. This tendency is further reflected in their willingness to give consideration to the equivocal union view of the collective bargaining agreement as a set of pliable social rules outlining a general course for the daily relations between the parties rather than as a binding legal contract creating specific and limited restrictions on the functions that management would otherwise be free to exercise.[32] A forerunner of this trend was the statement made by the late Dean Harry Shulman of the Yale Law School in his capacity as permanent umpire for the United Auto Workers and the Ford Motor Co. He remarked that "in the process of its creation, in its purposes and in its effects, a collective labor agreement is not only a contract, it is also in the nature of a political platform and a code of ethics."[33]

But regardless of the ambiguous rules of construction which some arbitrators have attempted to apply to the labor contracts, none have denied that it still remains the responsibility of every employer in a competitive economy to manage its business and direct its work force in the most efficient manner possible. Nor can it be denied that a business establishment still retains the common-law prerogatives which it possessed before engaging in collective bargaining, except to the extent that the employer has agreed to qualify the exercise of these inherent functions or some limitation has been imposed on them by statute.[34] To reduce the opportunity for arbitral compromise and expediency awarding labor unions an ever-increasing voice in managerial decisions, every collective bargaining agreement should spell out management's exclusive functions in detail. The experienced negotiator knows, moreover, that while a positive management-functions provision is the foundation for a workable labor contract, it can be no more than that. The remainder of the agreement inevitably consists of restrictions on management prerogatives and a corresponding reduction in the employer's freedom of independent action.[35] Many an effective management clause has been completely emasculated by the fine print in the remaining 60 or 70 pages of the collective bargaining agreement.

Another rule of construction applied by some labor arbitrators holds that the total legal relationship between an employer and the union representing its employees consists not only of the formal written agreement, but also of those customs and usages that are embedded in the daily routine of the parties. Therefore, if the contract is considered vague, ambiguous, or silent as to the matter at issue, the prior disposition of grievances or disputes, as well as company rules, policies, and practices, may be subjected to arbitral scrutiny.[36]

"A union-management contract is far more than words on paper," declares Arbitrator Arthur Jacobs. "It is also all the oral understandings, interpretations, and mutually acceptable habits of action which have grown up around it over the course of time."[37] Arbitrator Edgar Jones cautions: "The repeated execution of collective bargaining agreements which contain exclusive agreement provisions canceling 'all previous agreements' has no magical dissolving effect upon practices or customs which are continued in fact unabated and which span successive contract periods. * * * It is well accepted that a course of conduct engaged in by one party and acquiesced in by the other party to a collective bargaining agreement, spanning two or more contract terms, without any interim contractual reaction to it, becomes a part of the agreement between the parties and cannot be substantially altered or discontinued except by bilateral negotiations and agreement."[38]

The standards of judging the existence and binding effect of a custom or past practice are as flexible as other principles in indus-

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[26] Business Week, June 15, 1957, p. 153.

[27] Justin, work cited at footnote 25, at pp. 3–4, 34.

[28] Baltimore Evening Sun, January 29, 1957.

[29] *New Jersey* v. *Traffic Telephone Workers* (16 Labor Cases, par. 65,162, 66 Atl. (2d) 616 (N. J. S. Ct. 1949)).

[30] Holly, The Arbitration of Discharge Cases. Critical Issues in Labor Arbitration (Bureau of National Affairs, Inc., 1957): Procedural and Substantive Aspects of Labor-Management Arbitration (American Arbitration Association, 1957) pp. 26–27.

[31] Stockham Pipe Fittings Company, 1 LA 160, 162 (1945).

[32] Cf. Goldberg, Management's Reserved Rights: A Labor View, book cited at footnote 25, at p. 118.

[33] Shulman and Chamberlain, Cases on Labor Relations (The Foundation Press, Inc., 1949), p. 1223.

[34] See authorities cited at footnotes 1–3.

[35] Cf. *Pan American Airways, Inc.* (5 LA 590, 594–595 (1946)).

[36] *Celanese Corporation* (24 LA 168, 172 (1954)); *Continental Baking Company* (20 LA 309, 311 (1953)); *Sioux City Battery Company* (20 LA 243, 244 (1953)); *National Carbon Company* (23 LA 263 (1954)); *Dwight Manufacturing Company* (10 LA 786, 789 (1948)); *Eastern Stainless Steel Corporation* (12 LA 709, 713–714 (1949)); *Bakelite Company* (29 LA 555, 559 (1957)). See also Elkouri, work cited at footnote 24, at pp. 144–146.

[37] *Coca-Cola Bottling Co.* (9 LA 197, 198 (1947)).

[38] *Fruehauf Trailer Co.* (29 LA 372, 375 (1957)).

trial jurisprudence and entirely subject to arbitral discretion. According to Arbitrator Gerald Barrett: "The existence of a past practice may not be readily determined by precise standards of measurement, but rather depends upon many surrounding circumstances. A practice may originate in the form of a carefully drafted company directive under some circumstances. Its origins may also be obscure under other circumstances, going back to the initiative of one individual who developed a practice within the area of his particular jurisdiction which has gradually spread over a period of time to the status of company-wide adoption and application. A further factor, in addition to the varied origins of a past practice, concerns the duration of the existence of the practice. No standard formula may be utilized to define the necessary duration of a past practice before it may be held to constitute a binding past practice, other than to note that its duration must be of sufficient length so that it can fairly be concluded that the practice exists and is in fact being applied." [39]

A binding past practice, if proved, may become in effect a collateral supplement or addendum to the written contract.[40] It is therefore apparent that employers must not drop their guard upon signing a labor agreement, for an arbitrator may decide that an inherent or broadly defined management prerogative has been waived or restricted by some plant rule, custom or usage. Line supervision can and frequently does give away in daily operations through actual practices the management functions that were zealously guarded by the company during contract negotiations. The clearest and most precise clause may lose its effectiveness if deviations and inconsistencies occur in its administration. It should not be observed one day and ignored the next. It cannot be applied to an undesirable employee but overlooked when the foreman's favorite is implicated. As Arbitrator Jules Justin has cautioned management, "it is the way that the line supervisor initially interprets or initially applies a contract clause—and the binding 'settlements' that he makes on grievances—that create 'past practices.' And it is more often that these past practices negate or 'wither away' the rights which management has secured under the labor contract than do arbitrators' awards." [41]

The consequences of the actions of supervisors may be plantwide and extend far beyond the employees they actually direct. Because of the smoothly functioning interunion communications system, the impact of a foreman's or a superintendent's decision may even be felt in other plants and in other companies. The key to positive administration of the labor contract therefore rests in the hands of those management representatives in daily contact with employees. As Justice Douglas observed in the Packard Motor Car case, "trade union history shows that foremen are the arms and legs of management in executing labor policies." [42] One of the prime responsibilities of management is to train its line supervision in the techniques and procedures for effective day-to-day employee relations under the collective bargaining agreement.

There is also a concerted effort on the part of some professional union representatives to expand the scope of arbitral jurisdiction over management decisions by ignoring the basic distinction between bargainable and arbitrable issues. Almost all contemporary labor agreements designate arbitration as the terminal point of the grievance procedure. On the other hand, modifications of established contract provisions or the terms of a new contract are regarded as a proper subject for timely collective bargaining. Arbitrators and the courts look upon the negotiation of new contractual provisions as legislative in character, whereas they consider grievance arbitration a quasi-judicial process.[43] Mr. Whitley McCoy, former director of the Federal Mediation and Conciliation Service and currently a labor arbitrator, has summarized the distinction in this way: "Arbitration of contract terms differs radically from arbitration of grievances. The latter calls for a judicial determination of existing contract rights; the former calls for a determination, upon considerations of policy, fairness, and expediency, of what the contract rights ought to be." [44]

Arbitrators and the courts have frequently had cause to rule that a proper subject for collective bargaining negotiations is not necessarily a proper subject for arbitration.[45] Thus, establishment of wage rates and the wage structure are matters for collective bargaining, whereas the application of the established contractual methods of pay on a fair and equitable basis among all employees is an arbitrable issue. A helpful exposition of this distinction was made by Arbitrator Paul Lehoczky in the Brickwede Brothers Co. case: "Examples of an arbitrable wage issue include allegedly tight individual rates, alleged violations of individual overtime pay, of individual incentive pay, in fact, of all those wage matters which affect the individual in the sense of discriminating against him in the light of the treatment accorded other employees. Examples of nonarbitrable wage issues include, aside from the bargained plant wide wage schedule, such items as involve general changes in the computation of the wages and any other matter which involves a general change from conditions as they existed at the time the agreement was signed." [46]

Some unions do not hesitate to bypass collective bargaining by appealing to arbitration issues which were discussed during precontract negotiations but omitted from the agreement subsequently executed by the parties.[47] For example, in the matter of Pan American Airways, Inc., the Transport Workers Union's demand for a prohibition against subcontracting of work was refused by the company during contract negotiations. Arbitrator Robert Simmons dismissed the union's subsequent grievance over this issue for lack of jurisdiction because there was no provision of the agreement containing a limitation on this managerial right.[48] In a recent case brought by the International Chemical Workers Union against the Davison Chemical Company Division of W. R. Grace & Co., Arbitrator John Abersold denied the grievance because the contract modification at issue had been proposed by the union during preliminary negotiations but not accepted by the company or written into the subsequent contract. Professor Abersold pointed out that "although the union did not favor this interpretation, it had been forced to accept it since 1946 since it lacked the bargaining strength to change it." [49] A complete history of negotiations, as evidenced by minutes or recordings of bargaining meetings, has proved valuable in arbitration cases such as these to show the intent of the parties and interpret contractual language.[50]

Unions also make use of the arbitration process as a pressure tactic wholly apart from the grievance at issue. It may set the stage for a future claim or a future bargaining demand. As the late Dean Harry Shulman emphasized: "A good many disputes that come to arbitration are deceptive. * * * Some are deceptive even because they don't really portray what the parties are concerned about. They seem to be fighting about one thing, and actually it is something else which is bothering them. That kind of thing happens, at least in my experience, quite frequently. A grievance is filed partly as a sort of pressure technique. It is filed partly in order to lay a foundation for a claim subsequently to be made. An arbitrator who doesn't know and doesn't sense what he is getting into, what a decision one way or the other will lead to in the developing strategy, might find himself regretting subsequently, when he finds out what the parties are really after—regretting he made that kind of determination." [51]

Despite the well-recognized distinction between negotiable and arbitrable issues, some professional union representatives are now attempting to bypass collective bargaining completely by encompassing within the arbitral process a determination of rates of pay under the wage reopener provisions of otherwise closed contracts as well as precontract disputes over the basic terms of new collective bargaining agreements.[52] During the costly Westinghouse Electric Corp. strike of 1956, for example, the International Union of Electrical Workers was successful in obtaining support from the governors of six States placing public pressure on Westinghouse to submit to an arbitration panel the decision as to how substantial a wage increase management could afford to give its employees. Westinghouse rejected the proposal on the ground that it could not delegate to outsiders with no responsibility to the company's employees or stockholders, the right to determine the fundamental terms of the union agreement under which Westinghouse must live for some years.

A minority report of the labor-law section of the American Bar Association has voiced concern over this union stratagem of circumventing collective bargaining through the use of arbitration. The report reasoned

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[39] *Prudential Insurance Co.* (28 LA 505, 511 (1957)).

[40] Cf. *International Minerals & Chemical Corporation* (13 LA 192, 199 (1949)). See also Justin, work cited at footnote 25, p. 29.

[41] Justin, Management Rights Under the Labor Contract, Supervision, March, 1957, p. 5.

[42] Cited at footnote 5.

[43] See 1951 Report of Labor Law Section, American Bar Association (18 LA 942, 947–948); *Boston Printing Pressmen's Union* v. *Potter Press* (32 Labor Cases, par. 70,543, 241 F. (2d) 787 (CA–1, 1957)); Syme, Opinions and Awards (15 LA 953 (1950)).

[44] *Twin City Rapid Transit Company* (7 LA 845, 848 (1947)).

[45] *Bliss & Laughlin, Inc.* (11 LA 858, 861 (1948)); *Textron, Inc.* (12 LA 475–478 (1949)); *IAM* v. *Cutler-Hammer, Inc.* (12 Labor Cases, par. 63,574, 67 N. Y. S. (2d) 317 (1947)), aff'd, 13 Labor Cases, par. 63,931, 74 N. E. (2d) 464 (N. Y. 1947); *Davenport* v. *Proctor & Gamble Manufacturing Company* (31 Labor Cases, par. 70,495, 241 F. (2d) 511 (CA–2, 1957)).

[46] *Brickwede Brothers Company* (12 LA 273, 275 (1948)).

[47] *Pittsburgh Plate Glass Company* (14 LA 1, 5–6 (1950)); *Wetter Numbering Machine Company* (14 LA 96, 101–102 (1950)).

[48] *Pan American Airways, Inc.* (13 LA 189, 191 (1949)).

[49] *Davison Chemical Company* (FMCS Arbitration File No. 57 A 1151 (1957)).

[50] See *Chrysler Corporation* (13 LA 215, 217 (1949)); *G. C. Hussey & Company* (5 LA 446, 448 (1946)); *Columbia Steel Company* (7 LA 512, 514 (1947)).

[51] Conference on Training of Law Students in Labor Relations, vol. III, Transcript of Proceedings, p. 710–711 (1947), Elkouri, work cited at footnote 24.

[52] In the connection, compare CFR, Pt. 1404.12, relating to FMCS arbitration policies and procedures and providing: "In those rare instances where arbitrators fix wages or other terms of a new contract, the responsibilities involved are so grave that the arbitrators are not subject to [a specified] fee restriction."

that "in every case where the issue is properly decided against arbitration there has been an attempt by a party to the contract to substitute an administrative procedure for collective bargaining on an issue that properly could not be reached except by bargaining. Those who are old fashioned enough and enough devoted to liberty both for the workingman and employers to want to see bargaining issues settled by free collective bargaining are very much concerned by the tendency to try to bypass such collective bargaining for the purpose of attempting to gain in an arbitration what could not be gained in mutual give and take around the bargaining table. They believe in the collective-bargaining laws that have been enacted and are not willing lightly to have bargaining issues evaded under the guise of administration." [53]

Frequently, the failure of arbitration—from management's standpoint—is traceable to the company's naiveness or lack of skill in drafting the arbitration clause itself. "If the parties prefer an arbitrator to function as a mutual friend, as a labor-relations psychiatrist, or as a father-confessor, they are privileged to seek out an arbitrator who can fulfill such a role," observes Arbitrator Harold Davey. On the other hand: "If they prefer an arbitrator to adhere strictly to the traditional quasi-judicial approach, this can be made clear. It is important to the success of the relationship that the parties understand and agree upon the type of arbitration they want and that they make this clear to the arbitrator." [54] While a broad and unrestricted grievance procedure is conducive to a fair and prompt hearing of all types of employee complaints, management must weigh very carefully the extent to which it will submit to final and binding arbitration, by an outsider, the terms under which it operates its plants and directs its work force.

The jurisdiction of the arbitrator and his award should be confined generally to employee grievances over the interpretation and application of the actual provisions of the labor agreement. More specifically, the arbitrator should have no authority to add to, amend or modify the agreement, to interpret any law when alleged noncompliance therewith is involved in the consideration of the grievance, to apply the provisions of the "antistrikes and lockouts" clause either for the purpose of securing compliance or assessing damages, to modify disciplinary action for cause, or to establish or alter any wage rate or wage structure. The arbitration procedure should also require that the question of arbitrability of the dispute be initially determined by the arbitrator, subject to review by the appropriate courts. The arbitrator's award on the merits of any issue properly before him should then be made final and binding on all employees, the union and the company.

The recognition and enforcibility of arbitration agreements and awards have frequently been the subject of extended litigation. The courts are in conflict on the question whether the Fair Labor Standards Act (Federal wage and hour law) prohibits arbitration of claims for wages, overtime and liquidated damages based on the act, and the issue has not yet been settled by the Supreme Court.[55] On the other hand, section 10 (a) of the Taft-Hartley Act specifically provides that the National Labor Relations Board's power to prevent unfair labor practices "shall not be affected by any other means of adjustment that has been or may be established by agreement, law, or otherwise." Applying this provision to alleged unfair labor practices which are included in grievances brought to arbitration, the NLRB has held that where "the proceedings appear to have been fair and regular, all parties had agreed to be bound, and the decision of the arbitration panel is not clearly repugnant to the purposes and policies of the act * * * the desirable objective of encouraging the voluntary settlement of labor disputes will best be served by our recognition of the arbitrators' award." [56] In a case where an arbitration decision gives effect to a practice clearly prohibited by the act, however, the board will disregard the award because it is "at odds with the statute." [57] In order to avoid any conflict between an arbitration award and an alleged violation of a statute when such noncompliance is involved in the consideration of a grievance, it is advisable to exclude the interpretation and application of any Federal, State, or local law from arbitral jurisdiction. Such an issue properly belongs before the administrative agency or judicial forum responsible for enforcement of the particular statute.

Under the common law applicable in most States, an agreement to arbitrate future disputes is revocable at any time prior to the actual handing down of an award.[58] But in its landmark Lincoln Mills decision of June 3, 1957, the Supreme Court ruled that section 301 of the Taft-Hartley Act empowers Federal courts to enforce collective bargaining agreements to arbitrate future labor disputes without regard to the law of the State in which the court is sitting.[59] The Court adopted the view that section 301 permits the Federal courts to use their judicial inventiveness to fashion a new body of Federal substantive law to apply to such actions. In a severe dissenting opinion, Justice Frankfurter observed that by the majority's ruling, "This plainly procedural section is transmuted into a mandate to the Federal courts to fashion a whole body of substantive law appropriate for the complicated and touchy problems raised by collective bargaining." He called attention to "the vast problems that the Court's present decision creates by bringing into conflict State law and Federl law, State courts and Federal courts" and concluded that the majority opinion casts "upon the Federal courts, with no guides except judicial inventiveness, the task of applying a whole industrial code" and "a Federal common law of labor contracts" that are "as yet in the bosom of the judiciary" and "present hazardous opportunities for friction in the regulation of contracts between employers and unions."

Labor unions have hailed the Lincoln Mills decision as another important milestone in the Federal-State relationship and as emphasizing the need for a uniform system of national law in the field of labor-management relations.[60] They also view it as a powerful strengthening of labor's hands against employers who have been able to flout arbitration awards they don't like.[61] The 1957 report of the labor law section of the American Bar Association characterizes the Supreme Court's decision as the first major event in a new era of federally chaperoned arbitration. The immediate import of the Lincoln Mills case is that for the first time there is clear legal precedent to enforce provisions for arbitration of future labor disputes, an issue on which the Federal courts were divided. While only time will disclose the full impact of this ruling on private industrial jurisprudence, it is a fair assumption that the proprietary right to manage will be further subjected to judicial scrutiny and encroachment.

Dean Harry Shulman described labor arbitration as "a means of making collective bargaining work and thus preserving private enterprise in a free government." [62] A realistic defense of the arbitral process by Arbitrator D. Emmett Ferguson adds: "If it is true that the law is not an exact science, then it must, as a natural consequence, follow that arbitration is not always perfect. But no arbitrator worthy of the adjective 'impartial' should ever decide the cases before him on a mathematical basis allowing each side its share of wins. The word 'arbitrator' is synonymous with umpire, and, in the vernacular of the street, 'he calls 'em as he sees 'em' without looking at the scoreboard. While all of us at one time may have felt that occasionally the umpire had some ulterior motive, that in itself would never be sufficient ground for doing away with the only system we know." [63]

Unsatisfactory as arbitration may be as the terminal point in the administration of the labor contract, from a management point of view, at its impartial best it can become an important factor in stabilizing bona fide grievance processing. It is true that, as Arbitrator Sidney Cahn observed: "An agreement to arbitrate constitutes a complete surrender of a company's right to determine the controversy by unilateral action or by voluntary agreement or by a test of economic strength." [64] It is also a fact that arbitration substitutes for the considered judgment of management, the judgment of an outsider who lacks the responsibility for conducting the enterprise or the experience and knowledge necessary for making managerial decisions. The value of the arbitration process to industrial peace is derived from the fact that it is a collectively bargained compromise betwen the two extremes of protracted court litigation and the costly economic counterweapons of the strike and the lockout as a timely and orderly means of settling unresolved employee grievances arising out of management's administration of the labor contract.[65]

INROADS THROUGH PARTISAN GOVERNMENT INTERVENTION

Partisan Government intervention in labor-management relations can also be credited with an assist in organized labor's invasion of management's vested right to operate its business. For example, during World War II, the National War Labor Board was created by Executive order of the President and given authority to finally dispose of labor disputes which might impede the effective prosecution of the war. The majority decisions of the labor and public members of this tripartite Board contributed more than any other single factor to the growth

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[53] Report cited at footnote 43, p. 954.

[54] Davey, Labor Arbitration: A Current Appraisal, 9 Industrial and Labor Relations Review 85, 88 (1955). See also Davey, The Proper Uses of Arbitration, 9 Labor Law Journal 119, 121–123 (February, 1958).

[55] Annotation, 24 A. L. R. (2d) 752, 764 1952.

[56] *Spielberg Manufacturing Company* (112 NLRB 1080, 1082 (1955)).

[57] *Monsanto Chemical Company* (97 NLRB 517, 520 (1951), enforced, 23 Labor Cases, par. 67, 728, 205 (2d) 763 (CA–8, 1953)).

[58] 3 American Jurisprudence 856–858, sec. 31.

[59] *Textile Workers Union* v. *Lincoln Mills* (32 Labor Cases), par. 70, 733, 353 U. S. 448 (1957).

[60] 8 Labor Law Journal 564 (August 1957).

[61] Business Week, June 15, 1957.

[62] Shulman. "Reason, Contract, and Law in Labor Relations," book cited at footnote 25, at p. 198.

[63] Servel, Inc., 1 LA 163, 165 (1945). See also Mather Spring Co., 13 LA 878 (1949).

[64] Pan American Airways, Inc., cited at footnote 35, at p. 595.

[65] Cf. Pan American Airways, Inc., cited at footnote 35, at p. 595: *International Brotherhood of Teamsters* v. *W. L. Mead, Inc.* (29 Labor Cases (69,802, 230 F. (2d)) 576 (CA–1, 1956)), cert. den., 352 U. S. 802 (1956)); *United Construction Workers* v. *Haislip Baking Co.* (28 Labor Cases (69,316, 233 F. (2d)) 872 (CA–4, 1955), cert. den., 350 U. S. 847 (1950)); *Bull Steamship Co.* v. *Seafarers Union, Atlantic & Gulf District*, 33 Labor Cases (71,019 (D. C. N. Y., 1957)).

of compulsory union membership as a condition of employment in America. The employer members of the Board repeatedly dissented from these orders on the ground that "ultimately such a policy leads to union shop, closed shop, control of hiring and finally, the transfer to others of the rights and obligations of management." [66] Although even that undisputed friend of labor unions, the late Franklin D. Roosevelt, while President of the United States publicly denounced compulsory unionism, Federal Government approbation continued. As a result, today more than 85 percent of all labor contracts contain a union-shop provision, or some modified version of it.

Following the pattern established in the war years, a President of the United States placed the power of Government behind Philip Murray's famous fight, in 1952, for higher wages and compulsory union membership in the steel industry. Negotiations between the United Steelworkers and the basic steel industry were at an impasse when Murray accepted President Truman's request to submit the dispute to the Wage Stabilization Board, with the understanding that the President would not invoke the Taft-Hartley Act's injunctive processes at a later date. After 3 months of hearings the WSB, over the objection of its 6 employer members, recommended a wage package totaling 26 cents an hour and flagrantly abused its function by further advocating a union-shop provision. When the Chairman of the WSB was asked to justify this latter flight into jurisdictional fantasy, he confessed "we were boxed in." Although under tremendous pressure from public acceptance of the impartial WSB findings, the industry refused to capitulate and President Truman retaliated by seizing the steel plants in the name of the United States Government. The seizure order was immediately subjected to judicial review and, on June 2, 1952, the Supreme Court affirmed the April 20 ruling of District Court Judge Pine that the President had exceeded his constitutional powers and illegally usurped the authority of Congress.[67] The steel plants were returned to their private owners, and Congress specifically revoked the alleged powers invoked by the WSB in the steel case. In exchange for reluctant Government approval of a price increase averaging $5.65 per ton, the steel industry finally settled the dispute by granting a wage package of 22 cents an hour and a modified closed-shop provision of doubtful legality.

The editors of Time placed the responsibility for this national crisis squarely upon the President of the United States: "Seven months ago, when the steel strike was imminent, Harry Truman felt the tug of all the complex influences which have grown out of organized labor's long kinship with the Democratic Party. He reacted instinctively —i. e., with reckless political partisanship. He abandoned Government's position of impartiality to rush to the side of labor, and in doing so, he tumbled into a constitutional crisis. He displayed an uncanny talent for demanding negotiations when they had no chance to succeed, for upsetting negotiations when the prospects were promising. He refused to use the Taft-Hartley law. The net result was a 7-month cataclysm in United States life." [68]

Obedience exacted by government compulsion can never be a substitute for free collective bargaining. Labor relations will be best managed when worked out in bona fide negotiation between employers and the representatives of employees, without government's interference except in cases of genuine national emergency. The 1957 report of the Secretary of Labor's Advisory Committee on Labor-Management Relations concluded: "Experience has demonstrated that when alternatives to the pressures of collective bargaining are provided by government for arriving at labor-management agreements, collective bargaining suffers and there is a tendency to rely more and more on the alternative." NLRB Member Stephen Bean recently remarked that "when the thumb of government is placed upon the scales in favor of any segment of society it is only a matter of time when it becomes necessary to counterbalance the weights lest the preferred group begin to take on the mantle of government itself." [69] President Eisenhower's state of the Union message to Congress on February 2, 1953, summed up the hands off nonpartisan policy of his administration toward union-management controversies. It should be the policy of every government administration at Federal, State and local levels: "Government can do a great deal to aid the settlement of labor disputes without allowing itself to be employed as an ally of either side. Its proper role in industrial strife is to encourage the processes of mediation and conciliation. These processes can successfully be directed only by a government free from taint of any suspicion that it is partial or punitive."

The partisan attitude of the executive branch of the Government toward organized labor during the New Deal-Fair Deal era was reflected in the administration of the Federal labor law by the National Labor Relations Board. On the floor of the Senate on June 4, 1951, Senator Robert A. Taft voiced his concern over the prolabor bias of the NLRB and remarked that "the general effect of their decisions has been to whittle away some of the basic principles of the law." Joseph Wells, a former Associate General Counsel of the NLRB, testified before the Senate Labor Committee on April 30, 1953, that "under the Taft-Hartley Act the Board has narrowed the rights of management and the duties of labor which Congress defined in that act." Mr. Wells reminded the committee that in 1947 the NLRB had testified before it in opposition to "almost every word, sentence, and paragraph" of the bills that became the Taft-Hartley Act, "yet it was to that same Labor Board that Congress entrusted the administration of Taft-Hartley." He cited case after case in which the Board had twisted beyond recognition the Congressional intent as expressed in the act itself.

Even the Federal courts, when called upon to enforce the NLRB's injunctive orders against employers during that era, felt impelled to chastise Board personnel for their partisanship. In *NLRB* v. *McGough Bakeries Corporation*, for example, the fifth circuit remanded an unfair labor practice case to the NLRB with the instruction that "sworn testimony cannot be overridden by suspicion or by slight circumstances that may be given another color." The court pointed out that the Board's trial examiner "with complete consistency found every witness for the union reliable and truthful, and every opposing witness, whether the company's president and supervisors, or the independent's adherents, untruthful and unreliable. Even witnesses called by the Board were reliable when they testified favorably to the union, but otherwise not reliable." [70] In *NLRB* v. *Rockaway News Supply Company*, the Supreme Court rebuked the Board with the observation: "Substantive rights and duties in the field of labor-management do not depend on verbal ritual reminiscent of medieval real property law." [71] The court decisions are replete with similar judicial observations on injustices to management in the NLRB's rulings, such as its findings of fact based upon "inference piled on inference," [72] its "arbitrary and capricious" actions [73] "inconsistent with the principles of equity" [74] and founded on "suspicion and conjecture and a kind of cloak and dagger process of reasoning," [75] its "curious diversity of conclusion" [76] and its injunctive orders "just as immoral and inequitable in labor as in any other human relations." [77]

When—as undoubtedly has happened from time to time—such false or biased reasoning goes undetected and is reflected in court decisions on crucial labor-management issues, it inevitably results in judicial usurpation of management prerogatives. Judging from a close reading of the major policy decisions of the "Eisenhower" Board and the criticism of some of these rulings alternately by labor and management, it would appear that the NLRB is currently adopting a more objective approach in its enforcement of the national labor law. It is imperative that the personnel of an agency so concerned, with the avoidance of industrial strife as the NLRB shall be fair-minded, free of bias and imbued with the single purpose to enforce the intent of Congress as set forth in the act of its creation.

INROADS THROUGH MONOPOLY POWER AND LEGAL IMMUNITIES

Through federation and centralization of authority in regional, national, and international organizations, labor unions have amassed such tremendous economic and financial power that some of their professional leaders have not hesitated to replace bona fide collective bargaining with coercion, violence, extortion, and embezzlement. They impose upon employers labor contracts containing restrictions on legitimate management functions about which there was no pretense of bargaining. They even destroy the right of some employers to engage in business.

The extensive hearings of the McClellan subcommittee of the Senate Labor Committee serve to highlight testimony that has been accumulating before Congressional committees over the past several years disclosing the legal immunities and monopolistic practices of labor unions. A political double standard exists under which individual and corporate malpractices are regulated and restrained, but comparable activities of labor organizations are excused. There is a long record of restraints of trade and price-fixing, allocation of the territory

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[66] *Walker Turner Company*, case No. 17, War Labor Board, April 10, 1942, Summary of Decisions of NWLB, vol. I, p. 6 (1943).

[67] *Youngstown Sheet & Tube Company* v. *Sawyer* (21 Labor Cases, par. 67,008, 343 U. S. 579 (1952), aff'g 21 Labor Cases, par. 66,922, 103 F. Supp. 569 (DC of D. C., 1952)).

[68] Time, August 4, 1952, p. 19.

[69] 8 Labor Law Journal 303 (May 1957).

[70] *NLRB* v. *McGough Bakeries Corporation* (10 Labor Cases, par. 62,936, 153 F. (2d) 420 (CA–5, 1946)).

[71] *NLRB* v. *Rockaway News Supply Company* (23 Labor Cases, par. 67,440, 345 U. S. 71 (1953)).

[72] *Indiana Metal Products Corporation* v. *NLRB*, 23 Labor Cases, par. 67,446, 202 F. (2d) 613 (CA–7, 1953).

[73] *NLRB* v. *Sidran*, 18 Labor Cases, par. 65,738, 181 F. (2d) 671 (CA–5, 1950).

[74] *NLRB* v. *Globe Automatic Sprinkler Company*, 22 Labor Cases, par. 67,167, 199 F. (2d) 64 (CA–3, 1952).

[75] *NLRB* v. *Mac Smith Garment Company, Inc.*, 23 Labor Cases, par. 67,533, 203 F. (2d) 868 (CA–5, 1953).

[76] Judge Prettyman's dissent, *National Maritime Union* v. *Herzog*, 14 Labor Cases, par. 64,450, 78 F. Supp. 146 (DC of D. C., 1948).

[77] *NLRB* v. *Dorsey Trailers, Inc.* (17 Labor Cases, par. 65,574, 179 F. (2d) 589 (CA–5, 1950)).

in which businessmen can operate, featherbedding, banning of new products and processes, restriction of the competition of employers who are in disfavor and other practices which are morally and legally indefensible when engaged in by any institution other than a labor union. In the building and construction industry, the right to do business is openly controlled by organized labor. Throughout almost every area of the United States, construction trade unions decide which employers will be allowed to operate, whom management will be permitted to hire, what the working conditions will be and from whom employers may receive materials and supplies. Similar conditions exist in shipping, stevedoring, trucking, the musical and entertainment field, and the garment industry, among others.

In *Hunt* v. *Crumbach* the Supreme Court condoned and sanctioned such monopolistic activities by a labor organization. It ruled that a union has the legal right to drive an employer out of business regardless of the rightness or wrongness, the selfishness or unselfishness of the end of which the particular union activities are the means. In his dissent, Justice Jackson observed that the decision "sustains the claim of a union to the right to deny participation in the economic world to an employer simply because the union dislikes him" and "permits to employees the same arbitrary dominance over the economic sphere which they control that labor so long, so bitterly and so rightly asserted should belong to no man." The majority opinion conceded: "Had a group of petitioner's business competitors conspired and combined to suppress petitioner's business by refusing to sell goods and services to it, such a combination would have violated the Sherman Act." [78]

A realistic approach to the legislation which is necessary to cope with the grave problem of union monopolistic practices and immunities from law should recognize that unions have a valuable function to perform which our industrial society has accepted. Justice Frankfurter has tersely reminded, however, that a labor organization is a means to an end, not an end in itself: "A union is no more than a medium through which individuals are able to act together; union power was begotten of individual helplessness. But that power can come into being only when, and continue to exist only so long as individual aims are seen to be shared in common with the other members of the group. * * * it is an easy transition to thinking of the union as an entity having rights and purposes of its own." [79]

In the exercise of this legitimate function as the collective bargaining representative of employees, it is contrary to the public interest for labor unions to be immune from the equal application of the laws and override the concurrent rights of individuals, the public at large, and employers, since these are the very source and justification for organized labor's existence. A recent report by a group of labor relations consultants, under the chairmanship of Professor Leo Wolman of Columbia University, concludes: "In the American system of government by law, no principle is more esential to the protection of our way of life than the principle of equality under the law. To this principle, American unions, in common with all other American institutions, should be required to submit. If, therefore, it is the policy of this country to outlaw monopoly and monopolistic practices, there is no ground for granting unions, the most powerful of our concentrations of economic power, special rights and dispensations." [80]

Toward this end, legislative reforms must be enacted to eliminate monopolistic union practices through the development of antimonopoly labor laws comparable to those governing business combinations in restraint of trade and placing emphasis on union autonomy at the local level. These laws should require that every labor agreement be negotiated on an individual plant basis or subdivision thereof under National Labor Relations Board rules governing determination of the appropriate collective bargaining unit. "Stranger" picketing, secondary boycott activities injurious to neutral third parties, and compulsory union membership should be expressly prohibited. Congress must also eliminate the judicial "no man's land" in labor disputes created by the Supreme Court's "Guss" decision [81] by clearly delimiting the area of Federal regulation and restoring to the 48 States their constitutional right to regulate local disputes and afford judicial relief to their citizens.

INROADS THROUGH COMMUNIST- AND SOCIALIST-INFILTRATED UNIONS

Today we live in a world divided by antagonistic philosophies. One is based upon man's dignity as a human being, the other upon atheistic communism. If communism or its amicable ally, socialism, succeeds in America, the workingman will lose the right to possess the fruits of his labor and the employer's right to manage will yield to the Government. As reported in a Russian Government edict, "the interests of the worker are the same as the interests of production in a Socialist state" and collective bargaining agreements are designed to be the "juridical form of expression of this unity." [82] Such labor contracts are not the result of collective bargaining but, as the United States Department of Labor has observed, "when the Soviet Government faced the task of postwar rehabilitation of its economy, it preferred to give decreed labor conditions the appearance of an agreement." [83]

It is an established fact that the international Communist conspiracy considers the labor union as one of the institutions best suited to the accomplishment of its plan of world revolution. In the words of Lenin: "It is necessary to resort to all sorts of devices, maneuvers, and illegal methods, to evasion and subterfuge, in order to penetrate into the trade unions, to remain in them, and to carry on Communist work in them at all costs." Nor was Lenin merely theorizing, for—by his own admission—the Bolshevist revolution could not have lasted 2 weeks without the aid of organized labor. Communist literature over the last 25 years clearly indicates that there has been no departure from this fundamental tactic. Party directives stress the absolute necessity for Communists to work in, and whenever possible to control, American labor unions.

Congress and the courts have carefully examined the nature and extent of this Communist penetration. In upholding the constitutionality of the non-Communist affidavit provision of the Taft-Hartley Act, the Federal courts reaffirmed that "one of the purposes of the Communist Party is to destroy democratic institutions and that infiltration into labor unions is one of the first steps in the process." [84] At the present time, some of our most powerful unions representing employees engaged in industries critical to the national defense are deemed by various Congressional committees to be Communist dominated. As recently as August 1957 Senator ROMAN HRUSKA publicly reiterated that the Internal Security Subcommittee has established "Communists are indeed infiltrating the mainstream of American labor." He named four international unions as "remaining steadfast under Communist control."

The tactics of this international conspiracy and the proximity of the danger were described by Senator JOHN MARSHALL BUTLER, of Maryland, while serving on the Internal Security Subcommittee, in an address to the Senate on July 8, 1953: "The Communists' work is accomplished by the very fact that although small in number, they are highly trained, sternly disciplined, shock troops of the great conspiracy. Taking advantage of the average American's laxness in attending his union meetings, the small Communist cell arrives early at the union meeting and stays late. It is well schooled in parliamentary procedure and debate, and places its members in strategic 'diamond' formations to control the meeting. Each member is trained to carry out a specific assignment. The cell uses its superior knowledge of maneuver and tactic to guide the policy determinations of the much larger labor unions. The vast majority of the workers in plants controlled by the Communists are, of course, loyal Americans. But the control of jobs, grievances, and bargaining by the Communist minority acting as officers of these unions makes it next to impossible to loosen their grip on the unions. A tight control is kept over every key union post and avowed Communists serve as shop stewards. Partyliners pack union meetings and break up assemblies of workers who have the courage to take the initiative to get out from under the grip of the Communists. * * * The agents of communism do not always work for the contracting company and so they do not require security clearance, which they would not be able to obtain because of their Communist connections. But they can and have called slowdowns and 'quickie strikes' to harass management and reduce production. They can obtain restricted information for transmission to Communist belts. They can and have struck first and taken up the grievance after the demonstration. Specialized plants making vital components or end products can be made to slow down or shut down at the will of the Communist agents who have only to give the word or the sign, thus bringing to a standstill production in an entire industry."

The neoteric efforts of the American Federation of Labor and the Congress of Industrial Organizations to expel Communists and Communist-dominated unions from their ranks should not be minimized. The fact remains, however, that since 1954 the Communist Party has been transferring many persons under its discipline from unions it controls to unions it hopes to control. Federal Bureau of Investigation Chief J. Edgar Hoover recently warned that the Communist Party has opened a new recruiting drive among young Americans, with the objective of placing them in key labor union positions. It is also a fact that the unions which have been expelled from the AFL and the CIO because they were Communist dominated are still functioning. Employers in some of our strategic defense industries are required under the Supreme Court's interpretation of section 9 (h) of the Taft-Hartley Act to recognize and bargain with

[78] *Hunt* v. *Crumbach* (9 Labor Cases (51, 214, 325 U. S. 821 (1945)).

[79] Concurring opinion, *Lincoln Federal Labor Union No. 19129* v. *Northwestern Iron & Metal Company* (16 Labor Cases, par. 64,898, 335 U. S. 525 (1949)).

[80] Monopoly Power As Exercised by Labor Unions (National Association of Manufacturers), p. 29. See also Roscoe Pound, Legal Immunities of Labor Unions (American Enterprise Association, Inc., 1957).

[81] *P. S. Guss* v. *Utah Labor Relations Board* (32 Labor Cases 70,563, 353 U. S. 1 (1957)).

[82] As quoted in Elements of Soviet Labor Law, Bulletin No. 1026 (United States Department of Labor, 1951), p. 5.

[83] Bulletin cited at footnote 82.

[84] Case cited at footnote 76, affirmed, 15 Labor Cases (par. 64,587, 334 U. S. 854 (1948)).

these unions as the representatives of thousands of loyal American workers.[85]

Effective defense against the international Communist conspiracy requires the combined efforts of the labor union movement, industry, and the public, together with adequate legal machinery vested in the proper authority. Section 9 (h) of the Taft-Hartley Act should be amended by Congress to require every union official, agent, and representative to swear he is not a member of the Communist Party or a Communist-front, Communist-action, or Communist-infiltrated organization, as those terms are defined in the Subversive Activities Control Act. The amendment should also provide that noncompliance with the affidavit requirements of section 9 (h) shall deprive the noncomplying union of all procedural and substantive rights and benefits of the Taft-Hartley Act.

Elaborate review procedures delaying final determinations indefinitely have proved the Communist Control Act of 1954 to be equally ineffective in combating the Communist infiltration of American labor unions. Under the original Butler bill (S. 1606), the Subversive Activities Control Board was given the authority to investigate a charge of a Communist dominated or controlled labor organization. If the SACB's preliminary investigation indicated the charge to be meritorious, it would issue an intermediate suspension order providing that such union should immediately become ineligible to act as exclusive bargaining agent or be the recipient of any procedural or substantive benefits of the Taft-Hartley Act. If, after a formal hearing, the SACB reaffirmed the validity of the charge, it would then make permanent the intermediate suspension order. The Butler bill further provided that this disqualification of a Communist-dominated labor union should not render void any collective bargaining contract previously executed between such labor union and any employer, insofar as the contract bestowed rights and obligations upon the employees and the employer. The Communist Control Act of 1954 should be amended by Congress to conform with the original legislative bill as introduced by Senator JOHN MARSHALL BUTLER in 1953.

The economic objectives of Socialists and Communists are identical: Abolition of private property and government ownership and control of the means of production. The Socialists would attain this goal by executive, legislative and judicial fiat; the Communists by whatever strategy is most opportune, including violent overthrow of the existing republic and mass murder of its leaders. One of the great dangers of socialism is that it paves the way for communism. The Communists use socialism as an impenetrable disguise. Their pattern of conquest is increasingly becoming, first, the establishment of Socialist governments, followed by seizure of key positions, and ending finally in a comparatively bloodless coup d'etat. Former President Herbert Hoover observed, in an address on the occasion of his 80th birthday: "In the Iron Curtain countries, it was the Socialist intellectuals who furnished the boarding ladders by which the Communists captured the ship of state." Paying homage to this new technique is the hypocritical preamble to the recently revised constitution of the United States Communist Party: "The Communist Party holds that there are various roads to socialism, and that the working people of our Nation will find their own road. We advocate a peaceful, democratic road to socialism through the political and economic struggles of the American people within the developing constitutional process."

Although Socialists as a party have never been politically effective in the United States, their influence and that of their leftwing fellow travelers has had a tremendous impact on our great Nation. The actions of some of the most powerful leaders of the American labor union movement show consistent adherence to the Socialist ideology. In the 1930's, for example, a young and immature Walter Reuther is reported to have been a member of the Socialist Party, to have supported Norman Thomas for President of the United States, and to have written friends in Detroit while working at an industrial plant in Russia: "Carry on the fight for a Soviet America."[86] Some 25 years later, on January 5, 1958, United Mine Workers President John L. Lewis described Mr. Reuther in a nationally televised interview as "an earnest Marxist inebriated by the exuberance of his own verbosity."

Mr. Reuther's latest bargaining demand on the Big Three of the automobile industry is removed from the realm of incredibility by a newly assessed strike fund which is expected to reach $55 million. The UAW president proposes subjecting to union codetermination the proper distribution of corporate earnings and the proper level of corporate prices. As a sportive alternative or adjunct, he recommends to Congress that the three socially irresponsible auto manufacturers be required to defend their exorbitant profits and justify all proposed price increases publicly before the inevitable Federal Government agency, an embryo Office of Price Administration.

To assist in the attainment of their underlying objectives, the Socialist labor leaders surround themselves with dedicated groups of professional propagandists who share their dream of an international superstate. Subtly and patiently, these ideologists indoctrinate the rank-and-file membership of their unions through carefully planned and cleverly slanted union publications. Their every move is a step toward this goal, whether it be at the bargaining table; in the press; on public platforms; at the polls; or inside legislative halls, executive mansions, or judicial forums.

The American private-enterprise system is no less jeopardized by the Socialists and their leftist entourage than by the Communists. As FBI Chief J. Edgar Hoover pointed out in a speech at Valley Forge in 1957, ultraliberals, though often sincere, are the ready tools of the international Communist conspiracy. In this ultimate battle for men's minds, employers must provide spokesmen to state the case for capitalism and our republican form of Government persuasively and in terms that can be understood by workingmen. The labor union movement is not afraid to educate employees on economic, political, and social issues. Industry must show the same courage and speak up in defense of management's inherent right to manage in a free and competitive society.

INROADS THROUGH PROPRIETARY INTEREST IN BUSINESS ENTERPRISES

Some unions have recently begun to explore a new means of gaining their goal of codetermination of management functions. It simply entails the purchase of a proprietary interest in the companies whose employees they are seeking to organize or already represent. For some time it has been a union tactic to obtain a few shares of stock in each company with which it bargains so that, as Walter Reuther told delegates to the 1949 United Auto Workers convention, "our research department could sit in on every stockholders' meeting and see if we could not peek behind the iron curtain."[87] Over the years, a few unions have owned and operated their own hospitals, grocery and clothing cooperatives, banks and insurance companies. Such businesses were established primarily to provide at low cost to union members a particular service or product which was unavailable or highly priced. Generally, in these enterprises, unions were not competing with employers whose employees they represented or sought to represent as bargaining agents.

Recent business dealings of labor unions indicate that important changes are taking place, however, financed by the accumulation of enormous cash assets. There is a definite trend away from the traditional union practice of investing these dollars exclusively in Government bonds and real estate. Organized labor is showing a growing interest in placing part of its surplus funds in the securities of private industry. The percentage of union investments in stocks has risen from 1.6 percent of total assets to an estimated 15 percent within the past 5 years. Public hearings before the McClellan and Douglas subcommittees of the Senate Labor Committee have served to expose the extent to which unions have become a new type of fiduciary investor, comparable to investment trusts, insurance companies, banks and company-administered pension plans.

Employers are now contributing nearly $6 billion a year toward welfare and pension funds for their employees, according to the National Industrial Conference Board, and many such trust funds are administered solely by unions. The total sum of these fiduciary investments in common stocks alone amounts to some $40 billion, and this total grows yearly under union bargaining pressures for increased hospitalization, medical, retirement and death benefits. Initiation fees and membership dues collected from more than 18 million members are another major source of union income. During the last decade, fiduciary institutions as a group have become the most important single factor in the ownership of American industry. In many companies the only large stockholders are institutional trustees, but they have seldom used their proprietary interest to influence or control management decisions. A matter of concern to the future of the American free-enterprise economy is the impact of these new union fiduciary investors on the actual management of industry.

Under the law of trusts and the administration of trust property, the trustee's duty is exclusively to his trust. He is much more than the mere agent of the beneficiary or the trust estate. He is bound to exercise the utmost good faith in all concerns of the trust, whether it be in dealing with the trust property itself or with the beneficiary of the trust in matters concerning the trust. The trustee cannot make any personal profit out of the use of the trust property or obtain any advantage, direct, or indirect, by its purchase or sale. Any act which appears to be in the interest of the trustee instead of the trust estate will constitute a breach of trust for which the remedies are as complete as a court of equity can provide. The rights of the beneficiary and the duties, powers and liabilities of the trustee are all controlled by the provisions of the trust instrument under the scrutiny of the equity courts. So extreme is the fiduciary duty of the trustee to the trust estate that any breach is regarded as constructively fraudulent and, at the option of the beneficiary, will be set aside.[88]

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[85] *United Mine Workers* v. *Arkansas Oak Flooring Company* (30 Labor Cases, par. 69,907, 351 U. S. 62 (1956)). See also *Leedom* v. *Mine, Mill, and Smelter Workers* (31 Labor Cases, par. 70,349, 352 U. S. 145 (1956)).

[86] Nation's Business, October 1957.

[87] New York Times, July 11, 1949.

[88] Loring, A Trustee's Handbook (Shattuck Revision, fifth ed., Little, Brown & Co., 1940) pp. 61–65, 156.

These canons of law governing the administration of trust property have seldom been applied to labor unions or their officials who administer the huge cash funds held by the unions in trust for rank-and-file members. Therefore, when a labor organization invests its members' dues or other contributions to such fiduciary funds in corporate voting stock, the customary stockholders' rights vest in the union. Under corporation law, this proprietary interest legally entitles the union stockholder to vote on management decisions at corporate meetings, to take part in the election of directors, to inspect corporate books and records, irrespective of its reasons or motives, and to participate in dividends and profits. If the union owns a majority of the voting stock, it assumes control of the corporation. If the union is a minority stockholder, it may seek to enjoin through court procedure any action of management which it regards as fraudulent, ultra vires, or prejudicial to the best interests of the corporation and its stockholders. In large corporations, as little as a 10-percent stock ownership can often be a controlling factor. In fact, all that was required to convince the present Supreme Court that an acquisition in 1917–19 by E. I. du Pont de Nemours & Co. of a minority stock interest in General Motors Corp. became, 38 years later, an illegal business combination in restraint of trade under the Clayton Antitrust Act was "a reasonable probability" that some advantage may be obtained in the future as a result of Du Pont's stock interest.[89]

So far, most unions seem to be feeling their way cautiously in this new investment field, permitting banks and investment houses to control their stocks. But, according to Victor Riesel, nationally syndicated labor analyst, "it is a very safe prediction to say that before too long union officials will make those heavy investments themselves and vote on company decisions themselves."[90] There is already evidence that some union fiduciary investments are not being made for the sole purpose of capital appreciation. On occasion, these proprietary privileges have been exercised for the personal gain of union officers or the union itself, as opposed to the best interests of rank-and-file union members or the legitimate rights of employers and the public at large. They have been used to induce an employer to bargain with the union without the consent of employees through a secret-ballot election. They have also been used to gain union participation in internal management functions.

Congressional testimony has exposed the fact that one wealthy and powerful union loaned $1,500,000 to assist incumbent management in a stock proxy fight for control of a company that builds many of the truck trailers the union members drive. A year later, this same union bought over $1 million worth of a chain department store's stock during another proxy battle. The union, at the time of its stock purchase, was attempting to organize some 10,000 employees in the chain's retail outlets. Upon purchase of the stock, the company recognized the union-stockholder as exclusive bargaining representative for the 10,000 employees without allowing them to express their choice in a secret-ballot election, and proceeded to negotiate a labor contract with the union. As soon as the contract was signed, the union announced that stock proxies for its 13,000 shares would support incumbent management in the ownership battle. Another company's management was actually held in office by the union representing its employees through purchase of sufficient stock to prevent a rival company from gaining control of the enterprise.

The McClellan subcommittee of the Senate Labor Committee has dramatically shown that a number of labor unions and their officials are finding it personally profitable to operate a labor organization and several business ventures at the same time. Their companies frequently buy from, sell to, or otherwise deal with, enterprises whose employees the union is seeking to organize or already represents. Some union officers or their close relatives are coowners of the very companies that operate under labor contracts with their union.

The conflict-of-interest issues which inevitably arise from these circumstances are irreconcilable with our free enterprise system. In the opinion of the labor analyst for the New York Times, A. H. Raskin: "This ability to sit comfortably at both sides of the bargaining table without any feelings of ambivalence is in many ways the most disturbing of all union manifestations * * * for it reflects, in microcosm, the ominous possibility that our great power aggregations of labor and industry are moving in the direction of collusive arrangements."[91]

MUTUALLY EXCLUSIVE RIGHTS OF MANAGEMENT AND LABOR

The mutually exclusive rights of labor and management were recognized and delineated by Congress in the enactment of the national labor relations law. In its declaration of policy, the Taft-Hartley Act sets forth its unequivocal purpose "to prescribe the legitimate rights of both employees and employers in their relations affecting commerce * * * [and] to provide orderly and peaceful procedures for preventing the interference by either with the legitimate rights of the other."

This fundamental principle is effectuated through specific provisions of the act. Sections 7 and 8 (a) (1) and 8 (b) (1) (B) protect the reciprocal rights of employees and employers to select their own bargaining representatives, while sections 8 (a) (5) and 8 (b) (3) proscribe as unfair labor practices a refusal by either to bargain collectively with the representatives of the other. Section 14 (a) provides that no employer whose activities affect interstate commerce is under any legal obligation to bargain collectively with supervisory personnel. A supervisor is defined in section 2 (11) as "an individual having authority, in the interest of the employer, to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, or discipline other employees, or responsibility to direct them, or to adjust their grievances, or effectively to recommend such action." Section 9 (b) (3) eliminates the potential conflict in the loyalty of guards to their fellow employees as opposed to their duty to enforce rules to protect the property of their employer, and the safety of persons on the employer's premises by forbidding the inclusion of guards in bargaining units with other employees. Section 2 (3) provides that any individual employed by his parent or spouse is not an employee within the meaning of the law. In applying the definition to representation cases, the NLRB has ruled that such individuals and other close relatives of management will be excluded from rank-and-file bargaining units when it is shown that they enjoy a special status allying their interests to those of management.[92]

Significant Congressional recognition of the basic conflict in interests between labor and management is also contained in section 8 (a) (2) of the act. This provision proscribes as an unfair labor practice any type of employer participation in the formation or administration of a labor organization. Financial support to a union, such as a loan to defray union expenses, is expressly forbidden.[93] Illegal employer interference may be inferred from a course of conduct, even though no overt acts are proved.[94] When the NLRB finds evidence of employer participation in internal union affairs, it orders recognition withheld from the union until it has been certified to represent the employees following a secret-ballot election conducted under Board auspices.[95] If the Board finds that an employer's interference has extended to the point of domination of the labor organization, it orders a complete disestablishment of that organization.[96] This drastic action has been required by the Supreme Court even though the employee expressed a desire to continue to be represented by the organization in question.[97] The third circuit concluded in a similar situation that "collective bargaining is nothing less than a sham and a delusion when the employer sits on both sides of the table by reason of his domination of a particular organization with which he deals."[98]

The NLRB, in carrying out its statutory function of determining the unit appropriate for the purposes of collective bargaining, has also administratively recognized the divergent interests of management and labor. The Board is guided by the fundamental concept that all employees having a substantial mutuality of interest in wages, hours, and working conditions should be appropriately grouped in a single bargaining unit. The type of unit found appropriate may be departmental, craft, plantwide, multiplant or multiemployer, depending upon the circumstances in the specific case. Regardless of the size of the unit found appropriate, however, the Board administratively excludes managerial personnel who determine and carry out company policies and employees who act in a confidential capacity to persons exercising managerial functions in the field of labor relations. The exclusion of these employees from rank-and-file bargaining units is solely a matter of the Board's discretion.[99]

Although the NLRB has ruled that stock ownership in a corporate employer's business does not per se disqualify an employee from inclusion in a bargaining unit with nonstockholder employees,[1] the Board does administratively exclude such employee-stockholders where their proprietary interest is of such a nature as to give them a potential voice in the formulation and determination of corporate policy.[2] In the *Brookings*

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[89] *United States* v. *E. I. du Pont de Nemours & Co.* (353 U. S. 586, 1 L. ed. 1057, 1074, 1077 (1957)).

[90] Inside Labor, Washington Post and Times Herald, April 13, 1954.

[91] Unions and the Public Interest, Commentary (1954).

[92] *P. A. Mueller & Sons, Inc.* (105 NLRB 552 (1953)); *American Steel Buck Corporation* (107 NLRB 554 (1953)); *Goettl d. b. a. International Metal Products Company* (107 NLRB 65 (1953)).

[93] Sec. 8 (a) (2) See also *Coal Creek Coal Company* (97 NLRB 14 (1951)), enforced on this point, (23 Labor Cases par. 67,579, 204 F. (2d) 579 (CA-10, 1953).

[94] *United States Truck Company, Inc.* (11 NLRB 706, 714 (1939)), enforced on this point, (5 Labor Cases par. 60,877, 124 F. (2d) 887 (CA-6, 1942)).

[95] *Carpenter Steel Company* (76 NLRB 670, 673 (1948)).

[96] *Florida Telephone Corporation* (88 NLRB 1429 (1950)).

[97] *NLRB* v. *Newport News Shipbuilding & Dry Dock Company* (2 Labor Cases par. 17,050, 308 U. S. 241 (1939)).

[98] *NLRB v. Griswold Manufacturing Company* (1 Labor Cases par. 18,436, 106 F. (2d) 713 (CA-3, 1939)).

[99] *Ford Motor Co.* (66 NLRB 1317, 1322 (1946)); *B. F. Goodrich Co.* (115 NLRB 722 (1956)).

[1] *Coastal Plywood & Timber Co.* (102 NLRB 300 (1953)).

[2] *Union Furniture Co.* (67 NLRB 1307 (1946)). *Harms Hosiery Co., Inc.* (91 NLRB 330 (1950)).

Plywood case, for example, stockholder-employees who owned approximately 50 percent of the outstanding voting stock, held preferential employment rights, received higher wages, and had a separate grievance procedure, were excluded from the bargaining unit because of their divergent interests. The Board reasoned as follows:

"While it may be argued in this case that since each stockholder has only one two hundred and fiftieth of all the votes the probability of his having an effective voice in the making of corporate policy is small, nonetheless, 113 of the 117 employees in the plywood plant are stockholders. That such a large homogeneous group of stockholders may influence management policies is not a remote possibility in this case. * * *

"Though to date there has been no distribution of profits, we recognize that stockholders, who are interested in maximizing profits, would favor minimizing costs, including that of the nonstockholder labor, whereas the representative of the latter would constantly seek to obtain higher wages for its members." [3] Similarly, in the case of a corporation which was owned in equal shares by 208 shareholder employees, the Board excluded these stockholders from a unit of 140 nonstockholder employees.[4]

To further insure fair and impartial representation of the interests of rank-and-file employees, one of the basic principles spelled out by the National Labor Relations Board and the Federal courts under the national labor law is that a labor organization chosen by workingmen as their exclusive statutory bargaining representative holds a position highly fiduciary in nature, similar to that of a trustee, a government official, or a legislative body.[5] As recently reaffirmed by the Supreme Court in the *Ford Motor Company* case: "The bargaining representative, whoever it may be, is responsible to, and owes complete loyalty to, the interests of all whom it represents," [6] including the minority of the employees who are forced "against their choice" to accept that union as their sole bargaining agent.[7] This extraordinary privilege is wholly statutory in origin. No such concept existed at common law.[8] If a labor organization breaches its privileged status by denying equal and impartial representation to all employees in the collective bargaining unit, the NLRB has authority to suspend or revoke its certification.[9] Moreover, in the Bausch & Lomb case, the Board held that a duly certified labor union forfeited its right to employer recognition as a statutory bargaining representative when it operated and controlled, through shares of stock owned by its members, a business enterprise of its own, in competition with the employer. In overruling its trial examiner, the Board reiterated the basic purpose of the Taft-Hartley Act to separate and equate the managerial function and the employee representation status:

"In considering this question it is necessary to view the act's collective-bargaining requirements in the light of the dual capacity which the union now occupies. Collective bargaining is a two-sided proposition; it does not exist unless both parties enter the negotiations in a good-faith effort to reach a satisfactory agreement. * * * What is envisioned by the act is that in attempting to make such an agreement the parties will approach the bargaining table for the purpose of representing their respective interests and having approximately equal economic power. The employer must be present to protect his business interests and the union must be there with the single-minded purpose of protecting and advancing the interests of the employees who have selected it as their bargaining agent, and there must be no ulterior purpose. * * * In our opinion, the union's position at the bargaining table as a representative of the respondent's employees while at the same time enjoying the status of a business competitor renders almost impossible the operation of the collective-bargaining process. For, the union has acquired a special interest which may well be at odds with what should be its sole concern—that of representing the interests of the respondent's employees. In our opinion, the situation created by the union's dual status is fraught with potential dangers." [10]

On October 18, 1954, a majority of the NLRB completely ignored the fundamental principles applied in the Bausch & Lomb and Brookings Plywood cases, however, when it ordered Richfield Oil Corp. to bargain with the Oil Workers Union over the terms and conditions of a stock-purchase plan that management had voluntarily offered its employees. In extending the area of compulsory collective bargaining to include the sale of shares of ownership in a corporate enterprise to its employees, the majority's decision shortsightedly concentrated on the compensation aspect rather than the long-range implications of this infringement upon a vital management function. As a result, the Board concluded that the benefits received by Richfield employees under the stock-purchase plan "represent a part of the compensation or remuneration received by the employees for their labor, differing from their weekly wages only in form and time of payment." [11]

Board Member Beeson's dissenting opinion did not read the Richfield Oil case in so narrow a context. In no uncertain terms he described this "utterly unrealistic and dangerous expansion of the usual area of collective bargaining" and its impact on management's inherent right to manage: "Apart from the fact that stock purchase plans fall outside the traditional meaning of 'wages' and 'other terms and conditions of employment', I believe other sections of the act as well as its basic policies establish beyond doubt that Congress not only never intended the quoted language to include stock purchase plans, but on the contrary intended to exclude such matters from the scope of compulsory bargaining. * * *

"* * * in section 1 of the act, Congress manifested a clear intention of protecting from interference by employers and labor organizations the 'legitimate rights' of each other. Management cannot and should not be permitted to interfere with the internal affairs of unions. * * * Conversely, unions cannot and should not be permitted to interfere with matters solely within the province of management. * * * Among the latter's exclusive responsibilities would seem to be without question, dividend policy, type and amount of financing including debt to be incurred, and the like. Yet these are precisely the matters which are relevant to and must be considered in the formulation and administration of any stock purchase plan, and they are matters concerning which the majority is in substance now requiring the company to bargain with the union. It is difficult to conceive of any more flagrant invasion of what were heretofore considered the 'legitimate rights' of employers, designed to be protected by the act.

"The majority likewise projects the union into an inconsistent dual role of representing employees as workmen interested in better wages and improved hours and working conditions, and at the same time representing those employees who participate in the plan as stockholders interested in higher dividends, etc."

On January 16, 1956, the NLRB's order in the Richfield Oil case was enforced by a 2 to 1 decision of the United States Court of Appeals for the District of Columbia.[12] In his dissent, Judge Miller adopted the dissenting opinion of Board Member Beeson. Three months later the company's petition for review of the case by the Supreme Court was denied.[13] Although the majority decision of the court of appeals echoed the NLRB's credulous hope that where only stockholders are to have the right to be heard, the union shall have no voice whatsoever as a statutory representative, it would seem that the extraordinary statutory privilege granted a labor organization to act as the exclusive representative for all employees in the bargaining unit does not permit that union to acquire conflicting allegiances and place itself in a position where it may even be tempted to breach this great trust. Certainly the Board accepted this view in the Bausch & Lomb case when it held that the situation created by the union's dual status is fraught with potential dangers.[14] In the Brookings Plywood case, moreover, the Board excluded individual employee-stockholders from a bargaining unit with nonstockholder employees even though the probability of each stockholder having an effective voice in the making of corporate policy is small. The exclusion was ordered because the Board felt there was more than a remote possibility that such a large homogeneous group of stockholders may influence management policies, and because the Board recognized that stockholders, who are interested in maximizing profits, would favor minimizing costs, including that of nonstockholder labor, whereas the representatives of the latter would constantly seek to obtain higher wages for its members.[15]

Although no overt act was required to put into motion NLRB processes separating and equating the managerial function and the employee status in Brookings Plywood and Bausch & Lomb, the Richfield Oil decision undeniably stands for the proposition that a union may now legally demand to bargain over the terms of ownership and methods of financing the operation of the very corporation whose employees it represents. If management refuses to bargain on the matter, it can be held in contempt of court. If it refuses to accept the union's terms, it can be subjected to a strike and all the other economic weapons of union coercion.

The determination of the amount and price of a stock offering is one of the most

[3] *Brookings Plywood Corp.* (9E NLRB 794, 798–799 (1952)).

[4] *Oakland Scavenger Co.* (98 NLRB 1318 (1952)).

[5] *Wallace Corporation* v. *NLRB* (9 Labor Cases, par. 51,187, 323 U. S. 248 (1944)); *Hughes Tool Company* v. *NLRB* (9 Labor Cases, par. 62,503, 147 F. (2d) 69 (CA–5, 1945)); *National Maritime Union* v. *Herzog* (14 Labor Cases, par. 64, 450, 78 F. Supp. 146 (DC of D. C. 1948)); *American Communications Association* v. *Douds* (18 Labor Cases, par. 65,760, 339 U. S. 382 (1950)).

[6] *Ford Motor Company* v. *Huffman* (23 Labor Cases, par. 67,505, 345 U. S. 330 (1953)).

[7] Cases cited at footnote 5. See also *Hughes Tool Company* (104 NLRB 318, 325–326 (1953)).

[8] *National Maritime Union* v. *Herzog,* cited at footnote 5.

[9] *Hughes Tool Company,* cited at footnote 7; *Wilford Auto Sales, Inc.,* 106 NLRB 1396 (1953); *Pittsburgh Plate Glass Company* (111 NLRB 1210 (1955)).

[10] Bausch & Lomb Optical Co. (108 NLRB 1555, 1559 (1954)). Cf. Oregon Teamsters' Security Plan Office (5 CCH Labor Law Reports (4th ed.), par. 54,954, 110 NLRB No. 31 (1957)).

[11] Richfield Oil Corp. (110 NLRB 356, 360 (1954)).

[12] *Richfield Oil Corporation* v. *NLRB* (29 labor cases, par. 69,690, 231 F. (2d) 717 (CA of D. C., 1956)).

[13] Certiorari denied (351 U. S. 909 (1956)).

[14] Cited at footnote 10.

[15] Cited at footnote 3.

vital management responsibilities because it affects the basic financial structure of the entire company. In fact, the Fourth Circuit observed in the Truitt Manufacturing Company case that the Taft-Hartley Act does not require an employer to bargain "with respect to matters which lie within the province of management, such as the financial condition of the company, its manufacturing costs or the payment of dividends." [30] Even the Supreme Court, in the Electrical Workers case, held that there is "no more elemental cause for discharge than disloyalty to one's employer" by attacking the policies "of finance and public relations for which management, not technicians, must be responsible." [31] But because of the tendency of the NLRB and the courts to treat labor law in a vacuum and to ignore or override established legal principles and national policy, the most zealously guarded management prerogative has been successfully invaded.

It is true that more than a million employees throughout the United States have a dual interest in their company through participation in stock-purchase plans. An indication of the popularity of these plans is the fact that in the 10-year period since 1947, 40 percent of all domestic corporations with common stock listed on the New York Stock Exchange have adopted stock-purchase or stock-option plans for some or all of their employees. Millions more workingmen have bought stock in their companies on the open market in the usual manner. Prior to the Richfield Oil case, however, this dual relationship had been completely voluntary, the stock ownership was on an individual rather than a collective basis, and the decision as to the terms on which to allow employees to invest in their company had been a free choice of management. Under Richfield Oil, contrary to the policy preamble of the Taft-Hartley Act and its effectuation through specific provisions of the act, a fiduciary bargaining agency charged with the exclusive responsibility of fairly and impartially representing the interests of all employees in the collective bargaining unit has been permitted to interfere with a legitimate managerial right and assume the dual and conflicting loyalties required to bargain for employees as such and employees as co-owners of the corporation, as well as for stockholder employees and their nonstockholder fellow employees.

Like the railroads, big business, the financial community and other groups which in the past have been subjected to Congressional investigations and restrictive legislation, professional labor leaders now fear statutory regulation of their activities and publicly plead that they be allowed to put their own house in order. Smarting under the adverse publicity of Congressional disclosures of proprietary interests in business enterprises which are incompatible with the fiduciary responsibilities of the statutory bargaining agent to the employees represented, the AFL–CIO recently adopted a Code on Ethical Practices for its affiliated unions. Significantly, the code only restricts the personal financial and business interests of union officials. It does not attempt to meet the equally serious problem of union ownership of conflicting proprietary interests in business establishments, and its enforcement powers are limited and ineffective.

In 1935 it became apparent to Congress that employer participation in the internal affairs of labor unions was jeopardizing the legitimate right of employees to select their own bargaining representatives and conduct their own labor unions, free from management interference or domination. Therefore, the Wagner Act properly made it an unfair labor practice for any employer to participate in the formulation or administration of a labor organization. This right was reaffirmed and incorporated in the amendatory Taft-Hartley Act in 1947.

The tenor of the times makes it apparent that Congress must intervene once again to protect the mutually exclusive rights of management and labor in a free enterprise system from interference by either with the legitimate rights of the other.

Adopting and supplementing part IV of the AFL–CIO Code on Ethical Practices, Congress should make it an unfair labor practice in violation of Taft-Hartley for a labor organization or any of its officials, agents, representatives, or trustees to bargain for or obtain in any manner for themselves as individuals, for the labor organization itself, or for the employees represented by the labor organization, any financial, proprietary, or other business interest (1) in any business enterprise whose employees the labor organization seeks to represent or on behalf of whom it bargains collectively, (2) in any business enterprise which is in competition with any other business enterprise with which the labor organization bargains collectively or (3) in any business enterprise a substantial part of which consists of buying from, selling to, or otherwise dealing with, the business enterprise with which the labor organization bargains collectively. Reciprocally, it should likewise be made an unfair labor practice for an employer to acquiesce in any such activities in favor of any labor organization or its officials, agents, representatives, or trustees.

During December of 1955, George Meany used the occasion of his election as president of the consolidated AFL–CIO to request that the labor union movement "be keyed into that simple, plain principle that a trade union has no other reason for existence than the job of carrying forward and advancing the interests of its members." In a speech delivered on April 7, 1957, before the United Auto Workers convention, Mr. Meany told the union delegates: "The American people expect us to bear a responsibility in keeping with the size of our organization, and the American people have every right to expect that we discharge that responsibility in keeping with the highest ethical and moral standards possible." Mr. Meany's statements thus reaffirm in broad social terms the highly fiduciary nature of the exclusive statutory bargaining agent status as determined by the NLRB and the Federal courts. Since nothing is more crucial to this relationship than the selection of the union trustee, the Taft-Hartley Act should be amended by Congress to require that employees shall always be given an opportunity to express their free choice as to union representation by secret-ballot election held under impartial Government auspices.

In May of 1957, the executive council of the AFL–CIO removed Teamsters Union President Dave Beck from membership on the AFL–CIO board of directors for "gross misuse of union funds entrusted to his care." The basis of this unanimous decision as released by President Meany was: "Beck is completely guilty of violating the basic trade union law that union funds are a sacred trust, belonging to the members and to be protected and safeguarded for the interests of the members." But Mr. Beck was not removed from his office as president of the Teamsters Union. More recently, the Teamsters president-elect, James Hoffa, has been charged with similar breaches of trust by the AFL–CIO council, but he continues to receive the endorsement and support of his union. The AFL–CIO completed its December 1957 convention with a final score of 3 international unions expelled from the federation on charges of corruption and wrongdoing, but these 3 unions continue to act as the exclusive bargaining representatives of 1,600,000 employees.

In order to protect the legitimate rights of employees, employers and the public from unethical and improper union practices financed through misappropriated trust property, every labor organization should be required to derive its authority over trust funds from a formal trust instrument. It should administer the trust estate solely in the interest of its employee-beneficiaries and avoid any temptation to do otherwise, keeping the trust property separate from its own. When the union trustee deals with the beneficiaries of the trust, it should not be allowed the freedom of the morals of the market place, but should sustain the burden of showing that it acted fairly in all respects and solely in the interest of the beneficiaries. Accountability and liability for misdoings should be insured in the courts of equity whose surveillance guarantees rigorous enforcement of the trustee's duties and emphasizes broad principles of ethics and conscience. In short, Congress should apply the historic legal controls governing administration of trust funds held by corporate and individual fiduciaries to the membership dues, assessments and other moneys held by a labor organization in trust for the sole purpose of advancing the welfare of the employees it represents.

ERA OF COPARTNERSHIP IN LABOR-MANAGEMENT RELATIONS

An immigrant cigarmaker's apprentice who crossed the Atlantic Ocean in 1863 to become a journeyman in his trade at the age of 14 is generally regarded as the founder of the American labor union movement. Samuel Gompers dedicated his life to two primary goals: First, labor union solidarity through voluntary membership and federation and, second, higher wages, shorter hours and better working conditions for union members. But he was unalterably opposed to any form of company paternalism, union codetermination of management policies, or other substitutes for capitalism. The success of the American Federation of Labor during the 37 years of Gompers' leadership and much of its subsequent growth to the commanding position it now holds jointly with the Congress of Industrial Organizations may be attributed to the foundation which he built during the early years of the 20th century.

In modern American labor-management relations, it still takes two to make a bargain, and conflict is a daily occurrence. A highly significant change is taking place, however, influenced primarily by concentration of industry through business combinations and the advent of powerful unionism. This new concept in industrial relations may be described as the "era of copartnership." It has been fostered by the professional managers of big business and their opposites at the bargaining table, the professional representatives of big labor. The widely publicized arm-in-arm tour of the plants of the United States Steel Corp. by the president of that giant company and the president of the United Steelworkers of America was one dramatic illustration of this change in basic attitudes.

In 1950, General Motors and the United Auto Workers Union signed a 5-year contract acclaimed at the time by GM President Charles Wilson as a milestone in labor-management relations. Two years later, General Motors voluntarily acquiesced in the union's request to reopen this contract, which had already resulted in cost-of-living and improvement-factor wage increases totaling over 35 cents per hour. United Auto Workers President Walter Reuther had convinced the giant automobile manufacturer that the 5-year closed agreement was intended to be "a living document reflecting present-day realities." United Steelworkers'

[30] Cited at footnote 19.

[31] *NLRB v. International Brotherhood of Electrical Workers,* (Local 1229, 24 Labor Cases, par. 68,000, 346 U. S. 464 (1953)).

President David McDonald says that "we are engaged in the operation of an economy which is a sort of mutual trusteeship,"[18] and the chairman of Republic Steel Corp., C. M. White, refers to this new epoch as "the partnership-in-fact of American labor and management."[19]

The great business enterprises in the United States today are governed by professional managers who, though appointed by a board of directors in turn legally elected by stockholders, have in fact a broad latitude of operational authority once they gain this high position. As Mr. George Soule, director of the National Bureau of Economic Research, has pointed out, in such an organization managers have a responsibility to keep revenue above costs over the long run, but profit is to some extent a sort of "by-product" and can be taken in one year or projected into the future, according to the type of accounting system used. Prices in turn are set primarily by the seller rather than by the competitive forces of the market, as traditional economics teaches.

Mr. Soule sums it up this way: "The manager is in reality a sort of mediator in behalf of the company as an institution. He mediates among the contending forces of owners, employees, customers, and Government. His decisions affect the fortunes of all of them, the future of the corporation itself, and, of course, the general welfare of the country and the world. But this type of calling is comparatively recent and is not governed by any clear standards. The manager of a great concern usually has, for the time being, a wide margin of discretion in which to make his important choices without wrecking his enterprise. He has lost the old and clear imperatives of competition, yet nothing very definite has been substituted for them."[20]

There is no question but that negotiated agreements are more and more frequently superseding prolonged strikes as the method by which big business and big labor settle their differences. Certainly it is less painful for a salaried manager to capitulate to excessive union demands than an owner whose life savings comprise the capital supporting the enterprise. Today, a comparatively few key agreements negotiated on what amounts to an industrywide basis for all practical purposes set the general pattern for employees' wages and working conditions throughout the United States. Once the pattern has been set, smaller businessmen in highly competitive industries who must man their plants from the same regional labor pools are virtually helpless and must accept higher labor costs, whether they can afford to absorb them or not.

United States Department of Labor statistics reveal that during the past 6 years the amount of goods the average industrial worker turned out in an hour's time—his productivity—has increased about 11 percent, or less than 2 percent a year. This gain is attributed largely to improved tools, better machines and superior production methods—innovations which in many industries have counterbalanced featherbedding and other devices of organized labor that artificially force a low output per manhour. Wages and fringe benefits over the same period have increased much more rapidly, however, so that the labor cost of each unit of output is estimated to be 22 percent higher than in 1950. During the years 1956 and 1957, output per employee for each hour worked rose only 1.1 percent, whereas hourly wages over this period climbed 10.1 percent. Other quantities that affect prices, such as raw materials, equipment, salaries of management, taxes and profits, when averaged together, have remained constant with the productivity factor.[21] As a percentage of national income, corporate profits have actually declined one third since 1948, according to the First National City Bank of New York. Because increases in productivity have not been sufficient to offset wage raises, the post-World War II succession of contract settlements in basic industries on terms highly satisfactory to labor have been financed to a large degree by price increases to the consuming public. As a result, the purchase value of the dollar is being destroyed, and America is enmeshed in progressive inflation which Lenin once said was a sure and simple way to destroy the free enterprise system.

There can be no denying the interdependence of employees, management and the stockholders in any private enterprise. A successful business venture means job security for its employees. Management knows that the welfare of its employees is just as important to the success of the company as productivity, marketing or research. In order to attract the capital necessary to maintain or expand the business, owner-stockholders must receive a fair return on their investment. One group cannot exist without the others.

There is also a need and a place for labor organizations. In large plants, individual bargaining on anywhere near equal terms with management is frequently an impossibility. But the necessity for collective representation of employee interests is no justification for America to allow labor unions to sit on both sides of the bargaining table. Employers must realize that even the most enlightened unions are political organizations driven by their own need for survival through membership support. Even assuming the best of intentions on the part of union leadership, every labor representative knows that he cannot hold his job unless he continues to obtain concessions from management and increase his union's power and prestige with respect to plant operations. The labor leader who would attempt to temper or reduce union demands on management would soon be replaced by a more aggressive representative. More pay for less work and a greater voice in management decisions necessarily remain the steadfast objectives of organized labor in return for the membership-dues dollars.

Industry must therefore face the fact that a realistic limitation on labor demands can only be accomplished by management itself. In fact, this is management's signal obligation. The function of business in a free enterprise system is to manage in the interest not merely of stockholders and employees but of society as a whole. This great responsibility of management to the general public was emphasized by the American Institute of Management in its August 1957 publication, The Corporate Director: "Holding the top management of a corporation accountable cannot be construed in the narrow sense of just seeing that the interests of shareholders are protected. They have a major interest, it is true, as the law recognizes. But there are other, perhaps even more important, interests which must be protected. The public at large has an enormous stake in the handling of natural resources. Some companies are so important for national defense that any weakness of management at the highest level can seriously affect the national interest. The business community as a whole has a vital interest in the fiscal integrity and economic soundness of every company. Customers, employees, and suppliers all have vital interests. The very fact that corporations must seek their charters from government is a significant recognition of the importance of these nonowner, nonmanagement interests, and of the responsibility that government has assigned to corporation directors. This responsibility to the public has been frequently cited in law, both legislatively and judicially."

It would thus seem apparent that labor peace in the sense of absolute absence of conflict is not only undesirable but actually impossible in a free society. While a sense of cooperation and compromise is indicative of maturity in labor-management relations, employers must keep the labor copartnership concept in proper perspective. It should be an encouragement to collective bargaining but not a substitute for it. The very essence of bargaining is the resolution of differences. As Mark Starr of the Internation Ladies Garment Workers Union cautions: "It must never be assumed that union-management cooperation on a consultative level replaces the normal processes of collective bargaining. In other words, the natural and expected opposition between those who sell their labor power and those who buy it cannot be talked away even in an era of good feeling."[22]

It is time that management throughout the United States took a long, hard look at itself. Contrary to the customary practice of maintaining production at any cost, employers may have to accept a serious interruption of operations to prevent further encroachment upon their inherent right and responsibility to manage. They should weigh the words of George Brooks, research director of the Pulp, Sulphite & Paper Mill Workers Union, in a recent address at the Massachusetts Institute of Technology: "The company has it within its power to resist whatever union proposals it thinks are unreasonable and uneconomic. If it means risking a strike, this is precisely what a system of free enterprise contemplates."

Over the next 24 months, big business must declare a wage moratorium limiting increases in pay to a productivity improvement factor and a cost-of-living adjustment allowance so that profit margins are not narrowed to the point where employers are forced to raise prices again in order to maintain necessary reserves for the operation of successful ventures. Professor Sumner Slichter of the Harvard Business School recently counseled: "We could stop inflation by insisting very strongly that no employer, except in unusual circumstances, grant wage and fringe benefit increases of more than 2.5 percent a year—about half the wage increases of the last year."[23] Labor unions should not be allowed to forget the keynote address at the AFL–CIO Building Trades Department annual convention in December 1957, in which Building Trades President Richard Gray displayed unorthodox and courageous labor statesmanship in calling upon some 3½ million construction workers and millions of employees in industries dependent upon construction, such as cement, lumber and steel, to voluntarily forego wage increases in 1958 in order to fight inflation. Employers must also negotiate the return of legitimate managerial prerogatives bargained or arbitrated away in previous years.

These dual objectives can be attained. Collective bargaining can be a two-way street. The National Labor Relations Board has ruled that good-faith bargaining does

[18] Life, September 1954.

[19] U. S. News & World Report, August 9, 1957, p. 91.

[20] Soule, Introduction to Economic Science (New American Library, Inc., 1951), pp. 105-106.

[21] As quoted in U. S. News & World Report, June 21, 1957, pp. 96–97, and February 14, 1958, pp. 71–73.

[22] Starr. The Search for New Incentives. Industrial and Labor Relations Review, January 1950, p. 248: Bulletin No. 1145 (United States Department of Labor, 1950), p. 26.

[23] Labor Relations Letter, United States Chamber of Commerce, January 1958.

not require that the benefits negotiated for and incorporated in a prior contract be necessarily treated as the starting point of negotiations,[24] and a Federal court of appeals could find nothing in the Act which requires an employer to abandon a settled position on a certain issue because of either the quantity or quality of concessions offered by the union in the hope of securing such abandonment.[25] But no one company and no one industry alone can stop labor's march. The responsibilities of management must be shouldered by all employers together or none will have the right to manage for long.

CONCLUSION

European labor has moved across the bargaining table and into the offices of management. The chief union demand is for socialization of industry and for national planning by joint union-employer groups so that labor may have an equal voice in the policy decisions of management. In West Germany, half of the positions on the boards of directors of corporations in basic industries are held by representatives of organized labor. Throughout Europe, cartels and monopoly groups are prevalent, with inflexibility of price movements and industry-wide wages and working conditions, under government regimentation. The false economies of these European countries and their debased standards of living are evidence of the effect of codetermination on private ownership of property, productivity, and distribution of income.

Some economists foresee joint labor-management control over production, pricing, and marketing in the United States that will lead to cartelization of industry under government sanction and regulation. Dr. Russell Kirk warns that we are menaced by an economic collectivism which, if triumphant, would put an end not merely to a free economy, but to freedom of every description.[26] Prof. Harold Wess of American University points to the plight of Great Britain and France, and predicts that unless the trend of the last 25 years is reversed, it must inevitabily bring us also to the brink, if not directly into, socialism and an economic system abhorrent to freedom-loving Americans.[27] A. H. Raskin concludes that in a period when public attention is preoccupied with finding ways to reduce the economic waste caused by strikes and other expressions of labor-management conflict, it is hard to get anyone to worry very much about the possibility that our chief future problem may become the development of a cartelized economy based on excessively cordial relationships between Big Labor and Big Industry. * * * The outcome may be an economy in which the Government makes all decisions.[28] According to Prof. Leo Wolman of Columbia University, the United States is tending more and more toward great monopoly power brought about by agreement between labor and industry. When an industry has lost control over its biggest cost—labor—it has lost its independent freedom of action and it will be disposed to join hands with labor in a whole series of bargains. When we come to that point we do face, indeed, a new form of socialism.[29]

President Eisenhower has repeatedly cautioned both business and labor to exercise restraint in discharging their responsibilities, or the Federal Government will "move in more firmly with so-called controls of some kind, and, when we begin to control prices and allocations and wages and all the rest, then it is not the America we know. * * * If you have to resort, in time of peace, to strict Government control of prices, services and wages, then we are abandoning the system that has made us great and by which we have lived, and in which we believe." [30]

The two great forces which have made the American private enterprise economy the most productive and profitable system the world has ever known are free management and free labor. The success of the system can be measured by the degree to which these two historically antagonistic groups have been able to work together on a basis of reasonable equality of position in the business enterprise, with each respecting the rights and responsibilities of the other, and at the same time participate in a common productive endeavor sustained by the consuming public. When individual efforts failed, workingmen gained equality of position in the business establishment through Government protection of the right to combine, to bargain collectively as to their conditions of employment, and concertedly to withhold their labor. If America is to remain free from Government control of the production and distribution of economic goods, the concurrent rights of management to manage, of owners to make a profit and of the public to secure goods at reasonable prices must also be safeguarded.

No republic can endure indefinitely without a sense of moral responsibility based upon respect for coexisting human rights and obligations. The great danger to our national economy is not that labor and management interests conflict today, but that they may combine tomorrow. The key to the continued success of private enterprise in the United States is the extent to which the underlying objective of harmonious labor relations is balanced against the exclusive vested right and responsibility of management to operate its business at maximum efficiency.

Industry must take the initiative and discipline itself or Government will inevitably intervene, and this could spell the beginning of the end of the free enterprise system. The question which public opinion, as well as Congress and the courts, will eventually have to resolve is whether labor organizations are to retain their traditional fiduciary character as the collective bargaining representatives of workingmen, having no interest adverse to theirs, or ally themselves with employers and, through codetermination of management functions, defeat the very justification for their existence.

[24] La Pointe Machine Tool Company (113 NLRB 171 (1955)).

[25] *NLRB* v. *United Clay Mines Corporation* (27 Labor Cases, par. 68,958, 219 F. (2d) 120 (CA–6, 1955)).

[26] Kirk, What Is the Republic? National Review (1957).

[27] Wess, What Is Past Is Prologue, Human Events, July 20, 1957.

[28] Work cited at footnote 91.

[29] Baltimore Sun, July 10. 1955.

[30] State of the Union address to Congress (January 1957); White House press conferences of February 6, June 26, and July 6, 1957; Annual Economic Report (January 1958).

AUTOMOBILE LABELING

Mr. MONRONEY. Mr. President, yesterday the Senate passed a bill which had been reported by the Senate Committee on Interstate and Foreign Commerce, requiring the disclosure of suggested retail prices on automobiles and accessories. I think the bill will do much to restore the confidence of automobile buyers and will protect them from the dangers of packed prices, exaggerated trade-in allowances, phony deals and giveaways.

One of the things needed by the great automotive industry which is one of our leading industries, is the restoration of public confidence in what the price of a car actually is. We have been in a jungle of wild pricing which has destroyed the confidence which the automobile buyer once had in the suggested retail price placed on a car by the manufacturer.

I do not pretend to be an expert, a seer, or an omniscient judge of what is wrong with the great automotive industry. Many persons, who have had less experience than I have had, seem to know all the answers. But I know that one of the things which the automotive industry needs most is a restoration of confidence on the part of the buying public in the pricing of cars, rather than reliability, respectability, and responsibility on the part of the dealer who sells cars.

I think the bill which was passed yesterday will help to restore the confidence of the buying public.

Because of the widespread public interest in an industry whose prosperity affects the welfare of America, I ask unanimous consent to have printed at this point in the RECORD the following excellent articles on this subject:

First, Why People Aren't Buying Cars, published in the U. S. News and World Report of May 2, 1958.

Second, What's New in Autos? published in the U. S. News & World Report of May 2, 1958.

Third, 1959 Cars Will Be Longer, With Glamorous Styling, written by Joseph C. Ingraham, and published in the New York Times of May 4, 1958.

Fourth, Autos: On the Slow Road, published in Time Magazine of May 12, 1958.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From U. S. News & World Report of May 2, 1958]

WHY PEOPLE AREN'T BUYING CARS

Job uncertainty, higher monthly payments, hope for price cut.

(Reported from New York, Washington, Detroit, Chicago, and San Francisco.)

Why are customers shying away from the new cars?

Talk with dealers across the country and you get this:

Style and size—including size of monthly payments—are factors, but not the only ones.

Potential buyers are in a cautious, "wait and see" mood.

What's wrong with the automobile business? The answer seems to be, "Just about everything possible," if you accept the word of dealers across the country.

Ask them why people are buying fewer new cars this year, and you get a whole battery of different answers. Prices, recession, styling, changing tastes and adverse publicity, all seem to be working simultaneously against sales of the 1958 models.

Sales of new cars are running about 30 percent below the 1957 level. From February to mid-April, when sales should have been rising like the sap in the trees, they have, instead, been stalled at a dull, flat level. Unless there is a spurt which is not now in sight, the industry will sell few more than 4 million cars in the domestic market this year, compared with about 6 million last year and a record 7.2 million in 1955.

How come? There is no single, simple explanation, to judge from the combined experience of the men who sell the cars. Most

frequently, dealers blame the recession. Prices are almost as common a subject of complaint, with styling and shifts in public preference getting some, but less, emphasis.

PEOPLE HOLDING BACK

A Ford dealer in Chicago says: "The most frequent comment we hear from nonbuyers is that they're afraid, because they've seen so many layoffs and so many people working short time." A Plymouth-DeSoto dealer in the same city reports that many people just don't want to "let loose of any money now" because they are worried about the economic picture.

In the San Francisco area the tendency for buyers to be more cautious is mentioned by almost all dealers. And in the New York area the impact of the recession is cited as a major factor by a regional representative of one of the big auto companies, by a Chrysler-Imperial dealer, and by a Ford dealer in the suburbs.

Even in Washington, D. C., where few people have suffered any drop in income, the recession is having a bad effect, in the opinion of several dealers. A Ford sales manager declares, "The greatest reason for the drop in sales is fear." And a Buick dealer complains that people are "holding back."

Whether from caution or resistance to high prices, people do seem to be shifting somewhat from high-priced to low-priced models—"trading down," the dealers call it. A Plymouth dealer reports that "cars with less equipment, six cylinders, and lower prices move right out."

PRICES TOO HIGH?

So far as prices are concerned, there's not just one problem, but several.

For one thing, the cost of living has gone up, and this leaves less money for expensive purchases of any kind. The average buyer is likely to have some trouble fitting the monthly payments on a new car into his 1958 budget, especially if he already has some other installment debts to take care of.

In addition, car prices have gone up year after year. Among dealers, there is some disagreement about how important this increase is in reducing sales. A Plymouth dealer on Long Island says that price resistance is a factor but less important than the recession fear. A Ford dealer in northern New Jersey says high prices are the major problem, because the average person can't afford to pay the price plus the financing. A Chevrolet dealer in Detroit declares: "Automobiles are priced out of reach of a large segment of the people."

A Buick dealer figures a car that cost $80 a month in 1955 now costs about $105. He says people with the idea of trading their 1955 models are taken aback by this stiff rise.

USED-CAR COMPETITION

Used cars, meanwhile, have become stiffer competitors of the new cars. Prices of used cars are down, while prices of new cars are up. A Washington Plymouth dealer says that prices on some used cars have fallen as much as 50 percent in the past year, though the average drop is a good deal less than that.

At any rate, a good many motorists who might have bought new cars apparently believe that used cars offer better bargains. Here, again, the effect of the recession is noted.

"Many folks feel they're better off buying a used car in the $1,100-to-$1,400 price bracket, on which they won't have to pay for so many months, than committing themselves for long-term payments on a new car," says a Studebaker dealer in Chicago.

The drop in used-car prices also makes for less liberal trade-in allowances in selling new cars. A number of dealers say this is an important problem.

CONFUSED CUSTOMERS

A Plymouth-Imperial dealer in San Francisco calls confusion the No. 1 problem holding sales down. He explains: "Dealers who offer $1,500 off on a $3,000 new car must be padding prices. Car shoppers feel that. They are confused to the point where they're afraid they're getting gypped and won't buy at all."

I think the price situation is one thing that has destroyed public confidence in auto dealers," a New York dealer declares. "I believe that 90 percent of the people to whom you talk today think of dealers as hucksters. And they don't have any confidence in what the dealers tell them."

Last week, the National Auto Dealers Association, together with some individual dealers, told a Senate committee it favors a bill to make the auto manufacturers put labels on all cars showing the suggested retail prices and other charges, in order to eliminate confusion. Ford and General Motors endorsed the proposal, and Chrysler said it was not opposed to the bill.

Are prices coming down? This question seems to be bothering many would-be buyers. Naturally, those who think there is a real chance of a price cut tend to postpone buying. The talk in Congress of repealing or reducing the Federal excise tax on new cars contributes to this expectation.

A Washington dealer says people greeted his salesmen the day after a new excise-tax-reduction bill was introduced in Congress with the comment: "Well, I see they're going to take the tax off." Other dealers say they get this sort of comment from many prospects. They are meeting the problem in a variety of ways.

Some say they tell prospective customers the retail price will not come down, even if the tax is removed. Others contend the tax is unlikely to be cut or that, if it is, the cut will be retroactive. One dealer goes so far as to suggest to his customers that anyone who bought after March 1 may get a refund of the tax later on.

A BIT DISENCHANTED

Dealers who feel that car sales are down primarily because people don't like the styles or performance of the new cars are in a minority.

A Chicago Mercury dealer contends that "people are a bit disenchanted with present auto designs." A Dodge dealer in San Francisco says: "People complain that our cars are too large, too long, too wide and too low." He believes the American manufacturers should have a car commensurate to the foreign cars.

Another dealer says the size of American cars is prominently discussed by prospective customers as a reason for not buying. On the other hand, a Lincoln-Mercury dealer on the west coast suggests this: "People are trying to rationalize. They say cars are too big and too wide as an excuse not to buy."

There is a feeling among dealers that United States cars have become too much alike in size, performance and riding qualities and that, as a result, there is less prestige attached to owning a big, new car. One dealer theorizes: "It's the old story. After you've had something so long, you get a reaction. People now are sated with the 'biggest' and 'best' and 'most powerful.' If you were to give them plain, smaller cars for a few years, they'd swing back to the present type."

INDUSTRY'S BLACK EYE

The industry's problems have provoked a burst of bad publicity that is almost without precedent for its intensity. Public figures from the President on down have been aiming barbs at the auto makers and dealers. Congressional committees are investigating auto prices. The Justice Department has attacked a group of dealers for alleged price-fixing. The Auto Workers Union attacks the industry's profits. Styling of the new cars has become a butt of jokes on television and in magazines, newspapers and daily conversation.

What do the dealers think can be done to improve things? Quite a few favor quick repeal of the Federal excise. Some say that, in addition, the manufacturers should cut prices. Others want simpler styling and more emphasis on economy in gas mileage and repairs.

Will better salesmanship help? A Ford dealer in Washington says his sales are almost up to the 1957 level and the reason is that his salesmen "get out and work." Other dealers point to the results of dramatic sales campaigns in some of the big cities. Still others think salesmanship is not at fault. A Buick dealer becomes quite angry at the idea that it might be. "These salesmen are starving to death and pushing the daylights out of these cars," he asserts.

Thus, the dealers seem to have no single, simple remedy for the slump in sales, just as they have no single, simple explanation for it. In their eyes, just about everything possible is wrong with the auto business.

ONE REASON WHY CAR SALES ARE SLIPPING

The typical family buying a new car in 1957 had an income of $7,800.[1]

Taxes took $1,031, living costs, $5,520. Left for savings, or major purchases such as a new car, $1,249, or $104 a month.

An average new car costs about $3,000. After the usual downpayment of one-third, a typical buyer still owes $2,000, to be financed by an auto loan.

On a 2-year loan, payments would be about $99 a month, or almost all of a typical family's income above living costs. On a 3-year loan, payments would be about $71 a month, or two-thirds of the family's available income.

When confidence is high, many will borrow to enjoy a new car. When confidence wanes, as in 1958, fewer people will take on future obligations, and car sales slip.

[From U. S. News & World Report of May 2, 1958]

WHAT'S NEXT IN AUTOS?

DETROIT.—What is the American car of the future to be like? Is it to be a smaller car, an economy car, or even a larger car offering more in the way of comfort and convenience?

How about the 1959 models and those that follow? Are cars as big and broad, as low and powerful, and as bright in color as they can get? Or does the automobile industry have ideas for changes that will spark an expanding demand?

The outlook for business in 1959 and later years depends to an important extent on the answers to these and other questions. When the American public backs away from purchases of new cars, the whole country feels the impact.

To find out what's ahead U. S. News & World Report sought the views of leaders in the auto industry. All remain confident that the present setback in the industry is only temporary and that steady improvement in cars of the future will assure high demand for models year after year. There is wide agreement, too, on what it is that the American public, by and large, wants in the way of a car.

A LOOK AT 1959

What is that demand likely to produce in 1959 and beyond? Broadly, the answer is this:

The new 1959 cars will be—as a rule—somewhat wider and a bit longer and lower than 1958 cars.

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[1] Median income of families buying new cars, as shown by U. S. News & World Report survey.

Colors will tend to be more subdued, with fewer contrasting shades. Chrome trim will be used freely, as before.

Economy of operation will be emphasized. The goal is a 20 percent to 25 percent saving in fuel use over the next 4 to 5 years. A start toward that goal will be made in the 1959 models. The horsepower race will end.

Output of a small, European-type car by the big three United States automakers is not foreseen. An economy-type car, of a size in between the standard American car and the European car, is unlikely from the big three before 1960, if then.

Price will depend largely on the outcome of wage negotiations now under way. The hope of the industry is that a price rise can be avoided.

BELIEF IN SIZE

The three major United States automobile companies remain completely convinced that the average American family wants a car that is large enough for comfort, powerful enough to keep its place on superhighways, attractive to the eye and with the latest in the way of aids to the driver. All of that spells size.

The dissenting view, however, is most strongly expressed by George Romney, president of American Motors Corporation, who sees a heavy demand for a compact economy car. Mr. Romney fears that big cars and annual model changes, making for early obsolescence, are carrying the industry far in the wrong direction.

This is a minority view in the American industry.

AHEAD FOR UNITED STATES, A CLASSLESS CAR

It is true that some people "would like cars shorter," says James O. Wright, a vice president of Ford Motor Co. and general manager of its Ford Division. "But naturally we must build to the volume demand. People like cars big. The volume purchases are being made in that direction."

Edward N. Cole, general manager of Chevrolet and a General Motors vice president, agrees.

"The great majority of people want the larger car, the big package. We must go by the rule, not the exception.

"People want passenger room in a car, and luggage space, and this is not going to change. We must remember, too, that people are getting larger, physically. And Americans are considerably larger than Europeans. For equal comfort, they need larger cars."

A top marketing official for Chrysler Corp., Byron J. Nichols, observes that people tend to forget that the American car has been developed through the years to meet American needs and driving conditions.

"The average family in this country will need and want an all-purpose car that will take them to the theater, carry a heavy luggage load, cruise the superhighways in comfort, or pull a house trailer," says Mr. Nichols.

The trend toward larger cars, is expected to continue—to some degree—over the next several years. After that, size probably will remain stable.

LOW INTO MEDIUM

A development of the last few years is the penetration of some low-priced models into the traditional medium-priced field. Ford, Chevrolet, and Plymouth hereafter will be making cars as large as most of the medium-priced makes and almost as large as some of the top-priced makes.

Helping this trend is a widening use of interchangeable body shells, which medium-priced makes are to share with the low-priced three.

What is evolving from all this is a classless car. The buyer of a low-priced model will get almost as much car, so far as size is concerned, as the buyer who goes the limit on cost.

The medium-priced and top-priced cars won't get much larger, as they are close to practical limits of length and width.

WIDTH TO GROW

The Chevrolet, which increased most conspicuously in size from 1957 to 1958, again is expected to become wider and a little longer next year. In 1959, it may not be easy—at a distance—to tell a Chevrolet from a Cadillac.

Ford is understood to have a new top model for 1959 larger than any present Ford car. Plymouth is to make major changes following this same trend.

In all these cars the principal increase is to be in width, mostly inside the body, rather than in length. The result will be cars around 80 to 81 inches wide, including fenders and bumpers. This means an increase, on the average, of 2 to 3 inches.

In car length, the increase is expected to be only a few inches for the Chevrolet-Ford-Plymouth group. This will mean cars only 5 to 6 inches shorter, in some instances, than today's smallest Cadillac. For most other makes, any addition to length apparently will be moderate.

No change will be made in the size of American Motors' Rambler. Studebaker-Packard is to bring out a new economy car for 1959.

The low silhouette is to become still lower. Many makes are to be trimmed down to an overall height of 55 to 56 inches, joining others that already are down to that range.

Restyling will be extensive in the 1959 cars. Competition is given as the chief reason. Lower silhouettes and the increase in car size give the stylists new opportunities for reshaping bodies, doors, fenders, hoods, and rear decks.

CHROME STILL POPULAR

Contrary to recent reports, most 1959 cars will have an abundance of chrome trim. Experience this year, as in the past, seems to show that chrome attracts buyers. There may be less chrome later on, but the end is not now in sight.

Colors, on the other hand, will be more conservative in 1959. Solid colors will be favored, with fewer models painted in 2 tones or 3 tones. There is a trend, too, toward darker and more subdued colors.

Headlamps will be dual. Fins are expected to be somewhat more numerous. In Ramblers and probably in Studebaker-Packard models, however, styling changes will be moderate.

IN DETROIT, NO SHORTAGE OF IDEAS

What does that leave? Cars are so packed now with automatic equipment, power devices, and styling features that a great many people ask: "Can there be changes of sufficient importance hereafter to attract buyers in great numbers?"

The car makers, in substance and with deep conviction, say: "Sure."

More or less typically, Chevrolet's Mr. Cole predicts:

"There will be just as many dramatic changes in cars in the future, if not more, than there have been in the last 25 years. If people have the notion we are running out of ideas for new features, they are not thinking correctly.

"There will be new comforts, new luxuries. And we haven't seen the end of driver assists. There is development work on transmissions, tires, brakes, lights—indeed, a whole realm of convenience and safety features."

No car maker will identify future improvements more specifically than that. Those which are well within sight, or even embodied in handmade models in the engineering and design laboratories of each maker, will be kept trade secrets as long as possible.

NEW HELP FOR DRIVERS

Edward T. Ragsdale, general manager of Buick and a vice president of GM, sees no end to the possibilities in harnessing the power of the car to help the driver. He also anticipates important changes in design. One example:

"There may be something in design to reduce eyestrain when one drives all day. This would reduce driver fatigue, therefore be a safety measure. Tinted glass, in wide use now, has helped."

Mr. Wright, at Ford, is equally confident of improvements to come.

"There will always be new things—all kinds," he says. "We expect better and better performance, a smoother ride and better handling, especially on superhighways. All components of the automobile—tires, steering systems, safety features, electronic-guidance systems and the rest—will develop year by year under the testing of the market place."

MORE DEPENDABILITY

Harry E. Chesebrough, new head of Chrysler's Plymouth division, also sees the industry pushing onward to new achievements. He sums up: "In the future, we will have more and more dependability, comfort and honesty of style."

This expansion, the Chrysler executive believes, will let the industry, some year soon, shoot past its record of 7.2 million new cars sold in 1955.

Other executives in Chrysler and competing companies hold similar views. Some go further. Mr. Wright, at Ford, predicts: "It is our firm opinion, based on careful forecasts, that between now and 1965 there will be years of automobile production amounting to upward of 10 million cars and trucks."

The horsepower race apparently has ended, with horsepower ratings expected to go up only slightly, if at all, in the future.

Says Mr. Wright: "We feel now that the automobile is adequately powered."

DRIVING ECONOMY THE BIG GOAL NOW

Economy in gasoline mileage is the aim now. The direction of engineers' efforts along this line are summed up by Mr. Ragsdale, of Buick, who says:

"Everybody in the industry is working as hard as he can to improve gasoline mileage. We are pursuing this aggressively."

Improved gasoline fuels are being developed in the laboratories and refineries of the petroleum industry.

Fuel injection is not to be pushed much at this time in furthering gas economy. Industry executives say it will not help materially until it is simplified and made competitive in price with the multibarrel carburetor.

RISE OF POWER DEVICES

Even with new-car sales down, as a result of the recession, the continuing popularity of power devices and accessories is phenomenal.

Automatic transmissions, which did not come into wide use until the early 1950's, are now installed in 8 out of 10 new United States-built cars. The total of such transmissions in use has risen to more than 31 million.

Power steering—like automatic transmission, an extra-cost item on most new cars—is installed in about 4 out of 10 cars coming off the assembly lines. More than 8 million units are in use 8 years after its introduction.

Drastic reductions in the cost of power-steering units have helped materially in bringing them into wider use. Their $200 price to a car buyer in 1952 has come down to a top price of $107.50 today. Ford offers a unit for $68.70.

Power brakes run fairly close to power steering in popularity. On a lesser scale, air conditioning and such conveniences as power-operated windows, seats, and radio antennas have had a swift expansion. More than 1,150,000 cars have been equipped with air conditioning since 1953. In top-priced lines, every third new car is air-conditioned.

Then there are heaters, with which nearly all new cars are equipped, and radios, now installed in 36.5 million automobiles.

DRIVERS' DEMAND FOR EXTRAS NEVER ENDS

Public demand for special equipment seems to be insatiable. Since buyers of all but the higher priced cars pay extra for such equipment, this demand appears to contradict much of the talk that what people want most of all is cheaper cars and more economical transportation.

Automatic transmission involves an extra cost of around $200. It reduces mileage per gallon of gasoline by 10 percent, according to an estimate by the General Petroleum Corp.

Yet the proportion of cars equipped with this device has continued to increase even in the recession. It is elected by more than 7 out of 10 buyers of cars in the lowest-price range.

American Motors, which stresses economy of operation of its Rambler, sells 49 percent of its 6-cylinder cars and 80 percent of its V–8's with automatic transmissions.

Another economy car, Studebaker-Packard's Scotsman, until lately emphasized minimum equipment of heater, defroster and directional signals. Now it offers automatic transmission as an option.

Experience shows that many women, especially, insist upon smooth and effortless gear shifting and are willing to pay extra for it. Some women drivers have never shifted gears, don't know how.

WHERE ECONOMY TREND IS SHOWING

A partly contrary trend, toward utmost economy, is showing up in this time of recession. There is an abrupt and conspicuous switch to lowest priced models in the Ford-Plymouth-Chevrolet group.

A year ago, nearly half of the "low priced three" cars produced were the luxury models—Chevrolet's Bel Air, Plymouth's Belvedere, Ford's Fairlane 500. That proportion has fallen lately to as low as 36 percent. Demand for the lowest priced models—Chevrolet's Delray, Plymouth's Plaza and Ford's Custom 300—has more than doubled, compared with a year ago.

The six is making a comeback. Currently, it accounts for 30 percent of production in this price group, compared with only 22 percent a year ago, according to Ward's Automotive Reports. Dodge has experienced a tripling of demand for its sixes. The six costs about $100 less than the V–8 in the same model and is more economical to operate. Plainly, this saving is important to many new-car buyers. Some—but apparently still a minority—even buy the sixes without any automatic devices.

TEMPORARY CHANGE?

Detroit regards this shift in buying habits as far from conclusive, for several reasons. It has not been sufficient, so far, to check the stampede to extra-cost equipment, especially automatic transmissions.

Much more important, for Detroit's planning, the economy trend is thought to be temporary. Detroit believes it won't outlast the recession. A similar trend ended after the recession of 1953–54. The sequel, in fact, was the all-time record sale of 7.2 million new cars in 1955. Many of these cars were in higher price brackets than the same people normally bought in before that slump.

Detroit's big three car makers are volume producers. They build cars for the majority. And they remain convinced that, once the recession is past, this majority will follow a trend toward the more expensive models of a given make of car, the V–8 engine, and plenty of power devices.

UNITED STATES PRODUCERS SIZE UP SMALL-CAR FUTURE

If Detroit ever becomes convinced that there is a big-enough demand for smaller cars in this country, they will be built here. But there is little likelihood that this will happen in the next 2 years, as things now stand.

Mr. Nichols, of Chrysler, says European-type smaller cars "will never fill the bill." Mr. Cole, at Chevrolet, equally blunt, says: "I don't think the European-type car has any future in this country."

Privately, almost every auto executive in Detroit will tell you frankly that the small European cars are underpowered for United States highways and expressways and are lacking in style.

About all that Detroit concedes to most of the European imports is some utility as second cars.

THE "IN BETWEEN" CAR

What Detroit may produce—if its final decision goes that way—is a car of in between size, decidedly larger and roomier than most of the smaller imports, but smaller and somewhat more economical than the cars it builds now.

If this in-between car does materialize, it will not replace present-day big cars, but will supplement them. They would be made for a minority, still not very big, but definitely growing.

At least some of the reasons for the growth of this minority are very plain. There is a rising demand for personal transportation—for the head of a household driving to work, for the housewife in the suburbs who needs a car to go to market and transport young children to school, and for teen-agers who want to go places.

Along with these, there is price resistance. This is particularly marked among people who find they are spending a large proportion of their income—authorities say some spend as much as 20 to 25 percent—for transportation. Other factors are the ease of parking and low operating costs of most foreign cars.

SMALL CARS, AN OPINION

How big is the market for small or, at least, smaller cars?

Detroit's answer is that it seems big enough to attract the smaller, independent manufacturers—American Motors and Studebaker-Packard. It is not rated big enough, however, for the volume producers.

Lester L. Colbert, president of Chrysler Corp., recently told his stockholders that it was "not worthwhile at the present time" for his company to set up facilities for making smaller cars in this country.

Privately, executives of General Motors and Ford agree with Mr. Colbert.

Is the market for small cars a lasting one? Or is a lot of it just fad, and sustained for a while by the recession? The guess of the big three is that it is not lasting.

The sales experience of the big three as well as their market studies, indicates that most people don't want small cars though they do want the operating economy which these cars provide. The United States makers are giving more and more attention to that subject.

USED UNITED STATES AUTOS VERSUS NEW FOREIGN CARS

Detroit is yet to be convinced that the real and lasting market for less-expensive cars, whatever its size, would be better served by new, smaller cars than by good, late-model used cars.

These answers could be wrong. And if they prove to be wrong, the big three will make some smaller cars. Mr. Colbert has said: "We are in a position to move very fast if it is decided later that the market for small cars is big enough to justify such a move."

This applies with equal force to the other major producers. All of them have drawings, if not prototypes, of smaller cars. They have made a lot of advance preparations. But all of these are contingent, and the most authoritative information is that there are no final commitments at all.

For the economy minded, Detroit favors used cars, which ordinarily outsell new cars by about 2 to 1.

FACTOR OF REPAIRS

A major complaint about used cars has been that they often are in poor condition, run up big repair bills. Now, the industry is giving more attention to programs for reconditioning and warranty of used cars. There is a relatively new, fast-growing business in used-car warranty contracts.

One warranty corporation has signed agreements with 4,400 dealers. Customers get 1-year guarantees on major mechanical parts.

Mr. Nichols, of Chrysler, voices the view shared by most American car makers that good United States used cars are a better value than small foreign cars. He says:

"The going price for a low-mileage, 1955 Plymouth four-door sedan equipped with V–8 engine, automatic transmission, power brakes, radio and heater, on Detroit's Livernois Avenue, is in the neighborhood of $1,000.

How can anyone claim that a small foreign car, bought in Detroit at a price in the neighborhood of $2,000, offers anything like the same value as that Plymouth or a comparable American car?

"People who talk about the gas economy of the small foreign car should take a sharp pencil and figure how man years it would take them to save that thousand-dollar difference in price. And that big difference in initial outlay is entirely apart from the difference in comfort, utility, safety, and ease of operation."

A BOOM FORECAST IN STATION WAGONS

The body type that appears to have the most assured position in the coming years is the station wagon.

As recently as 1940, fewer than 1 percent of the United States cars sold were station wagons. That proportion has risen rapidly to more than 12 percent.

A widely held view of what is ahead for station wagons was voiced recently by George H. Brown, manager of Ford's marketing-research department. "Every piece of evidence I've seen indicates that wagons are the car of the future," said Mr. Brown, "and that, within 10 years, one-fourth of total industry sales will be station-wagon models."

Considerable changes in the station wagon are envisioned for years ahead, although ideas about them vary. A Ford stylist, Damon C. Woods, suggests that they might have a sliding or rolltop roof, or swing-up sides to make it easier for passengers to get in and out.

Mr. Woods also predicts that the makers will explore club car seating, in which rear passengers sit in a semicircle as they would in the observation car of a train.

MAJOR IMPROVEMENTS ARE IN THE WORKS

Roomier cars, providing more space for passengers, are a prime objective of Detroit's auto makers. Enlarging of car bodies is only one approach. Another is relocation of components of the drive line that conveys power from the engine to the rear wheels.

One big change of this nature which appears to be in the cards is the removal of the transmission from just behind the

engine to the rear of the car. This would make it possible to eliminate the huge hump over the transmission in the floor of the front compartment, which has been growing higher and higher as the car body has been lowered in efforts to reduce car height.

The awkward hump farther back, over the drive shaft, also could be cut down sharply in size. These changes, removing annoying drawbacks of low cars, can be expected within the next few years.

With them may come a rear-engine car. This presents problems, but the best authorities say they do not appear to be insoluble.

Gas-turbine engines appear to be a possibility, but not a probability, in the next 5 years. Most executives say such engines are 10 years away, or just distant. These engines burn a mixture of kerosene and air to form gases. These gases, expanding, spin the blades of a turbine which is geared to a driveshaft connected to the car's wheels.

Intensive development work in Detroit and elsewhere has produced a high degree of efficiency in the gas turbine. But it still requires a lot of fuel, runs very hot and involves difficulties in size, weight and cost.

DRIVING BY RADAR

Automatic devices and assists for the driver which will make today's pushbuttons and levers seem very crude are to make their appearance in cars of the future.

One device which seems closest, perhaps only a few years distant, is a radar system or similar warning device to alert a driver when he gets dangerously close to another car or obstacle. Less imminent, and more difficult, are devices that will automatically brake a car, or take other action, to avert a collision.

Another approach to nearly automatic driving is a mechanism that would enable the driver to steer, accelerate, and brake with a single stick control. This is experimental now.

ATOM-POWERED AUTOS?

The electric car may make a comeback one day.

One suggestion is that the electric power might be generated by atomic reactors in the future and picked up from microwave beams. Another power source suggested is solar energy, which is developing rapidly and which can be used to generate electricity. Cars would pick up electric power from beams, or perhaps cables.

Cars that even fly seem to be an ultimate potentiality. As to that, Mr. Chesebrough says, "Some day they will." Other automotive men agree. Studebaker-Packard designers have anticipated such a space age vehicle by building an experimental body for it.

For the immediate future, however, Detroit's auto makers are betting hundreds of millions of dollars that Americans will like and buy the products they have lined up for 1959 and the years just ahead.

[From the New York Times of May 4, 1958]

NINETEEN HUNDRED AND FIFTY-NINE CARS WILL BE LONGER, WITH GLAMOROUS STYLING

(By Joseph C. Ingraham)

The 1959 model automobile will be a big, glamorous package devoid of any radical engineering changes. Higher style combined with an even wider and longer silhouette than current models will dominate this fall, when the 1959 cars go on display.

Despite steadily growing portents that a large segment of the car-buying public believes that more simplicity should characterize automobile design, manufacturers will pay only lipservice to that trend this year, mainly because at this late date they cannot do otherwise.

Unlike the garment industry, where radical change is possible almost overnight because only paper patterns are involved, the automobile industry must plan at least 2 years ahead.

Massive metal dies must be fabricated, new tools designed, hundreds of sheet metal, engine, or other mechanical parts ordered from supply houses. Basically the car is an assembled product and even the biggest producers turn out only about 50 percent of the items in their own plants.

DESIGN BASED ON STUDIES

The 1959 car designs were made final, except for a few crash changes, more than 18 months ago. Public demand then still was for a big, flamboyant vehicle, according to their marketing studies. Millions of dollars were spent on the studies—and Detroit does not spend money lightly.

It is generally contended that more than 4 million persons are polled before a new car design is set. In late 1956 when the 1959 models were locked up it was estimated that 15 percent of potential customers wanted less chrome and more subdued styling.

A recheck late in 1957 showed the conservatives had gained ground. The best that the makers could do now to tone down new models, however, was to delete some chrome, although this will show up on only a few of the more than 275 models that will start rolling off assembly lines in September.

More glass, increased use of anadized aluminum in an array of glistening textured colors, soft solid exterior tones, and more luxurious interior trim will distinguish the new models from the current cars. Historically, the changes will be evolutionary with just enough difference to bolster Detroit's philosophy that the public will not accept the same car for more than 1 year.

BETTER PERFORMANCE LIKELY

As a result the big 3 of the industry—Ford, General Motors, and Chrysler—reportedly have budgeted nearly $1½ billion to bring out their 1959 automobiles, a few hundred million more than the record-smashing outlay of last year.

What will the public get besides glamor? Mainly better performance, says the industry, with engines being refined to improve gas mileage although the basic powerplant will be unchanged.

As to the new look, here roughly is how it shapes up for the coming model year:

Ford will have a completely restyled exterior. Every piece of metal will be of new design. The roof line will be lowered slightly; the ribbed pattern of 1958 will be eliminated. The twin tail lights will be replaced by single huge plate-shaped lights.

There will be ornaments on the front fenders, a replacement of the scoop decoration on the hoods of this year's models. A single longer wheelbase of at least 118 inches will replace the current 116-inch and 118-inch. Car length will increase about 2 inches, width the same.

Edsel, which seems to be catching on slowly, will retain its distinctive vertical grill for its second year in the market place but will be restyled enough to make it distinguishable from the first run. The rest of the Ford company line, Mercury and Lincoln, will get a simple face-lift with the bulk of the more than $400 million that the company is spending on its new models going into its bread-and-butter line of Fords.

PLYMOUTH TO BE CHANGED

In the Chrysler family the biggest changes are set for its lowest price line, Plymouths. The moderate slanting fins will give way to long flared dartlike spears. Accompanying the higher soaring fins will be multi-colored aluminum trim inside and on the dash. Recast headlamps and tail lights and new panel treatment will make the illusion of change more dramatic than substantial.

The corporation's Dodge cars will also get a fairly drastic revamping with the DeSoto, Chrysler and Imperial lines dressed up but not manifestly different than this year's cars.

At General Motors the emphasis will be on Chevrolet, 4 inches longer and 4 inches wider than the present models. The soft curving rear end will vanish and fins again will be the style. Chrome will glisten from window panels and grill.

Significantly, Chevrolet will have a new body style, for General Motors' masterminds apparently agree with their competitors at Ford that a car must be seemingly new each year to win the favored number one place. Ford did it in 1957 but the "new" 1958 Chevrolet has taken the lead now, which is one reason why both are going in for a complete exterior overhaul for 1959.

The rest of the General Motors line will be "somewhat new." The company has reportedly switched from small, medium and large body shells (the box in which the passenger rides) to a single basic shell concept. By use of varied side trim, fenders, grill, rear end and hood treatment product distinctiveness is obtained.

MORE GLASS ON CARS

All GM cars as well as those of their competitors will have increased glass area by use of windshields curved around and up, thus cutting down on the steel roof section by about 3 feet. Chrysler pioneered this styling innovation last year.

Ordinarily, Detroit would shy from discussing 1959 models at this "sensitive" time, for spring is the traditional period of hope that current models will start to move quickly and any talk of next year's cars would slow current sales.

But it is not true this year. The manufacturers are reconciled to sweating out the worst year since the Korean war year of 1952 and still are not convinced that it is the product that is at fault. The best records are being set by the flashiest top models of the lines and the companies note that the only maker to better 1957, American Motors, is having more success with its middle-sized Rambler Six than with its smaller Rambler American.

What they don't point out is that the middle-line Rambler is on a 108-inch wheelbase, 8 to 17 inches shorter than the basic products of the Big Three. It is more simply styled but adequately powered. Rambler Six sales from January 1 through last week were 30,000 while the 100-inch-wheelbased "baby" American was 8,369.

SMALL CARS IN DOUBT

Meanwhile, the Big Three still are ready and able but not willing to commit themselves to turning out a smaller car. All have prototypes in the barn but if the smaller car materializes perhaps in late 1959 it definitely will not be on the tiny side favored by the Europeans. Rather, it will be a roomy, compact vehicle with enough power to keep up with the traffic stream on superhighways.

As far as Detroit is concerned only a modest return to real basic transportation can be expected. The big market, they insist, still is in a fancy product with many creature comforts. At best the compact car will be a supplement to rather than a substitute for big cars.

The major automobile company leaders are firmly wedded to the tenet that sharp styling and solid size are the hallmarks of success and that this year's bad showing reflects factors divorced from public taste.

Their critics contend that Detroit is the victim of its own wrongdoing and ominously quote Longfellow's famous line, "Whom the Gods would destroy they first make mad."

[From Time of May 12, 1958]

AUTOS: ON THE SLOW ROAD

At Hollywood's imperial-sized Palladium ballroom, 1,850 members of the Los Angeles

Motor Car Dealers Association gathered for a $5-a-plate breakfast and a lecture from one of the industry's top salesmen. After the ham and scrambled eggs, Chevrolet National Advertising Director William G. Power, as fervent a car salesman as ever lived, gave the dealers representing every United States make his considered opinion of the current state of the United States auto business. Said Bill Power: "Gentlemen, for 30 long years I've spent my life trying to kick hell out of Ford and Plymouth—and here we are all together. Brother, we're in trouble."

Detroit's trouble in 1958 is only too evident on the sales graphs. Last week's reports showed a slight upturn in the last 10 days of April. But for the first 4 months of the year, the industry is down a crushing 33 percent—and there are few signs of the traditional spring upsurge. Across the Nation, automen frantically poured on the old-fashioned, hand-pumping hard sell, hurled themselves into door-to-door sales drives and marathon "cold turkey" telephone campaigns. Chicago salesmen sported handkerchiefs hopefully, but falsely, embroidered "Business is good." In St. Louis, Milwaukee, Dallas, Atlanta, "You auto buy now" campaigns assaulted the public pocketbook. With an assist from Chevy salesman Power, New York dealers kicked off their campaign with Ringling Bros. circus acts at a monster Madison Square Garden rally. In Los Angeles, a parade of new cars led by a show girl in a pink, fur-trimmed Thunderbird implored everyone to buy, buy, buy. But the air was also filled with discordant notes. As the "you buy" cavalcade rolled down Hollywood Boulevard, a motorist cruised up in a weary 1955 Chevrolet sedan that was equipped with a loudspeaker blaring angrily: "It's too late now. You're too far gone. Get your prices down. Get your prices down."

HATE-AUTOS YEAR

If prices are part of Detroit's trouble, they are far from all of it. For a Nation on wheels, the plight of the auto industry is a matter of intense popular concern. Many a United States male prizes his auto above all other possessions—sometimes even his wife. Since there are 80 million drivers, there are 80 million experts on cars—and, naturally, on the industry that produces them. Thus Detroit has become the center of a vast family argument. Everyone has something to say about the 1958 cars. Some of the charges are right on the beam; others are wildly exaggerated. President Eisenhower shot a thinly veiled barb at the industry. Senator ESTES KEFAUVER, no man to watch the votes go by, loudly proclaimed that he, for one, was not buying a car because everyone knew that prices are too high. Drivers who have never peeked under the hoods of their cars are sure they know precisely what ails Detroit.

Is there too much chrome? Or not enough? Are the fins too fabulous? Or just fishy? Everyone debates the case of the small car versus the big car, argues the merits of the United States car versus the invading import. There are gags for every occasion. At the sight of a new 1958, the sidewalk humorists are solemnly asking, "Where do you put in the nickel to make it light up and play?" To Detroit, all this is as shocking as if a Saint Bernard had bitten a lost missionary. "This," said Ford stylist George W. Walker, "is Hate-Autos Year."

Some pet peeves:

"My real gripe," says Minneapolis Physician George Riley Martin, who swapped his 1954 Chevy for a small Simca, "is that American cars are getting too complicated. They're too full of gadgets that are always going wrong. My windshield wipers kept breaking, and they practically had to tear out the dashboard to get at the things. You're getting fins and chrome, and every time that you bash a fender a little bit, the whole side of the car has to be replaced."

"Small cars are just a phase," says Atlanta Medical Technician Jewell Mitchell, who drives a well-cared-for 1956 Cadillac. "They're not comfortable, and I'm afraid I'll wind up under somebody's front bumper. Why, the other day I saw a small foreign car with a sign saying: 'Don't run over me. I squash bugs'."

"I think the new designs are beautiful," says Cleveland Housewife Hermogene Mott, who drives a 1958 Buick. "But one thing I will say about American cars is that they're too expensive. Those TV ads list a price that sounds reasonable. But by the time they get through adding this and that, what you pay goes way over."

"Detroit isn't solving our problems—it's creating them," says San Francisco Social Worker Janet Pence, who recently retired her 1951 Hudson in favor of a pale blue Volkswagen. "When it became difficult to park downtown, we were greeted each year with a longer car. When the price of gas and oil went sky-high, we were asked to buy gas guzzlers. Well, we plan to become a 2-car family soon, just as Detroit advises. But we're getting another Volkswagen."

"The automobile as a badge of success is fading out," says Chicago Sociologist Reuel Denney. "Too many people are wearing the badge, and it doesn't mean anything any more. The buyer also has the feeling that he's not getting enough out of it because of this obsolescence in styling. There's not enough rarity and not enough enjoyment."

"I don't particularly object to chrome and wild colors," says Alexander P. Gest, Jr., president of the small Mitchel Oil Corp, in Mamaroneck, N. Y. "But the thing I can't stand is that you can't tell the present-day cars apart. They all look alike. I honestly can't tell a Plymouth from a Cadillac when they go by fast."

THREE FROWNS, ONE SMILE

While the experts are having their say, auto sales are poking along at a rate of 1,200,000 units behind 1957's pace, and dealers have 800,000 unsold new cars on their hands. A few hardy optimists still talk of a 5 million-car year. But the industry's realists are prepared to settle for much less, possibly only 4,200,000 cars, thus making 1958 the worst since the steel-strike year of 1952.

With his own sales down 33 percent (for Ford) and 65 percent (for Mercury), Ford President Henry Ford II showed stockholders a first-quarter ledger with earnings off 77 percent to $22.7 million. Chrysler Boss Lester Lum ("Tex") Colbert had to face up to a $15.1 million loss—the biggest ever—with sales down 53 percent. Only General Motors President Harlow H. Curtice has anything to crow about. Chevy has bumped Ford out of the No. 1 spot; GM's overall first-quarter sales were off only 11.6 percent, its earnings down 29.1 percent to $185 million; GM cars, though down in volume, have captured another 5 percent of the market to boost the company's share back up to about 50 percent.

The one man with a big smile is American Motors President George Romney, whose boxy Rambler is the only United States entry in the small-car race and whose sales are racing ahead. Says Romney: "We are in the beginning phase of a real revolution in the automobile market. Finally, the big-car mentality has disintegrated." This week Romney pushed production up another 6 percent to put it 26 percent ahead of 1957. American's first-quarter sales were the greatest in its history (31,260 cars), and, after years of red ink, it reported a handsome $2,380,895 profit. Yet Romney's gain puts little cake in Detroit's lunch basket. Some 84 percent of the industry's 807,000 workers are Big Three employees, and an estimated 450,000 are laid off; millions more workers in thousands of supplier plants spread across the entire United States economy are dependent upon the major auto companies.[1]

STRATEGY AND STRIKES

The ill wind has blown some good for the automakers. In labor relations, they have fewer problems than they had expected this year. At the start of negotiations for a new contract last month, Walter Reuther's United Auto Workers asked for a 35- to 45-cents-an-hour wage package and tried a familiar whipsaw strategy to get it. The UAW fired off contract termination notices to Ford and Chrysler but not to GM obviously hoped to force the two smaller companies to settle, then use the settlements to pressure GM into line. But when the industry formed a united front and showed no signs of giving in, Reuther was forced to modify his position. Last week, in a four-part antirecession campaign, he offered to extend the current contract for another 3 months while differences were worked out. Detroit's answer: A flat "No." Said GM's Curtice with a snort: "A transparent maneuver to stall negotiations until the 1959 model changeover."

What the auto men offered instead was a 2-year extension of the current contract, which would include an automatic annual wage boost of 7 cents an hour. Then, to emphasize its solidarity with the other companies and prevent whipsawing, GM pulled a surprise. It canceled its contract as of May 29. The move astounded and infuriated the UAW which is now faced with an industrywide shutdown if it strikes one of the companies, since all can refuse to operate without contracts. Roared Reuther: "They can't make us strike. We are not going to accommodate the industry by striking to deplete their inventories. I can assure you they are not going to get away with it." But chances are that the auto industry can get what it wants, thanks to the sales slump.

FROM EVERY DIRECTION

What caused that slump? There is no one cause. A complex set of factors bore in on the industry—and hit it all at once.

The recession played a large role. Said General Motors' "Red" Curtice: "The automobile industry did not cause this recession. It is a victim of it. The recession began 6 months before it got to us. It is historically the case that a small decline in gross national product produces a much sharper decline in automobile sales. This is true because the automobile is a postponable purchase. The modern car is built, not for one but for two, three, and four buyers. Most of the cars on the road have a large reserve of unused mileage. People are using up that reserve instead of committing themselves to a new car.

What happened to autos, say the manufacturers, is essentially the same thing that happened to other consumer durable goods, such as refrigerators, home freezers, TV sets, home washers and driers. All were riding the boom-time surge in consumer credit as families tried to catch up on buying held back by World War II and Korea. This year the buyers finally caught up. Autos, along with other big-ticket items, were bound to slow down as debt-burdened consumers decided to hold off and pay their bills. After increasing 23 percent in 1955, installment credit increased only 10 percent in 1956, another 7 percent last year. This year overall consumer credit has dropped sharply, and auto buyers are actually paying off more than they are borrowing for the first time since the 1954 recession.

Automen admit that they may have sold too hard in 1955's 7,200,000-car year and borrowed too heavily from this year's market.

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[1] Detroit uses 17.4 percent of the Nation's steel, 65 percent of its rubber, 70 percent of its plate glass, 33 percent of its radios.

They also feel that they made it easy to postpone getting a new car by producing cars more durable than ever. Since World War II, engineers have learned to build engines that run twice as long without an overhaul; brakes have twice the stopping power and twice (40,000 miles) the life; lights, springs, tires, steering, seats, and upholstery are all vastly better. "It has become *fashionable* not to buy a car," says a General Motors salesman with some bitterness. "Then, to prove you are really chic, you find something wrong with all cars—maybe one word, 'Horrible.' That shows everybody you have good taste—and it conceals the real fact: you don't want to commit yourself to paying off a car for the next 2 years because you don't know if you will have a job next month."

LOVE THAT CHROME

Despite all the yowling about chrome and size, the experts scoff at the notion that Detroit's problem—or even a major part of it—is a mere matter of style. "This industry grew because we have made it our business to find out what people want," says a GM economist, noting that his company surveys 2 million potential buyers each year. They are dissected for their likes and dislikes, like frogs in a laboratory. Thousands of lengthy questionnaires are sent out; microphones are hidden in new cars in showrooms to catch comments; salesmen carry wire recorders tucked in their pockets. In fact, automakers have studied the public so carefully that they have inspired sociologists and motivational researchers to draw weighty—and often silly—conclusions about the United States public by merely studying their cars.

Dr. Ernest Dichter, high priest of the motivational researchers, argues that convertibles are bought, not because buyers like fresh air and sunshine, but because somehow they regard the convertible as the mistress they dare not have. With equal solemnity, Sociologist David Riesman (in an article co-authored by Auto Expert Eric Larabee) proclaims that many can safely sample the jet-age aura by having a design based on the Sabre jet—as the 1956 Plymouth. So, too, can the consumer be in tune with the future through his dashboard, which looks like an intergalactic control panel."

Whatever psychological forces are at work, the trend ever since 1946 has been to longer, wider, more futuristic cars—and more chrome (jewelry to automen). Those who bucked the trend usually rued the day. Henry Kaiser's small, chromeless Henry J. was a dismal failure. So was the drab 1954 Plymouth, which was 4 inches shorter than the year before. Sales dropped nearly 36 percent to only 381,000 cars a year. A year later Plymouth rolled out the longest (204 inches) car among the low-priced three and promptly boosted sales back up to 647,000 cars.

This year's best seller among higher-priced cars is what the trade calls "the jewelry-box special"—Oldsmobile, with more chrome (44 pounds) than any other car in history. Now fourth, it is pushing Plymouth for third place. Among the low-priced three, the fancy Chevrolet Impala and Ford Fairlane 500 outsell less chromy models by three to one. On Ford's custom line, there is a decorative gold-anodized-aluminum strip (along with an armrest and cigarette lighter) that costs $20 extra; 76 percent of Ford's customers demand it on their cars. Says Ford Stylist Walker: "I fought so hard against chrome I nearly lost my job. But I was wrong, and the others were right. People can buy austerity any time they want to. They don't want to."

Nor do the people seem to be intensely interested in safety. Ford spent $10 million trying to sell the public on padded dashboards, deep-dish steering wheels and safety belts, priced its equipment so low that in 1956 it lost money on each unit. Result: Only 45 percent of its customers order crash padding, only 2 percent order both padding and seat belts.

A MATTER OF PRESTIGE

One factor that automen are not sure about is a shift in American living that is apparently changing the traditional role of the auto. Years ago the automobile was a national symbol of success. Everyone wanted a car, not only for transportation but also as a mark of prestige, and the bigger the car the better.

In recent years the industry has built so much prestige into the once low-priced three that it is no longer necessary to buy more prestige with a middle-priced car; this market has tumbled from 37 percent to 26 percent of all sales in a little over 2 years. Moreover, as consumers' incomes have risen, the United States public has developed new wants to compete with cars. While cars slump, other industries are booming. The man who used to tinker with his car now installs a do-it-yourself tile bathroom; his auto is too complicated to fuss with, anyway. He may spend his money on a swimming pool (home pools will grow to a $400 million business this year) or join the hi-fi boom (now rocking along at $1.3 billion a year). He can take to the water (boat industry sales are up to $2 billion) or travel (up to $20 billion). With fly-now-pay-later plans, he can make the downpayment on a 3-month, $6,000 trip round the world for less than the payment on a Chevy sedan.

Says a Denver matron, Ann Sink, who recently decided not to turn in her 1954 Dodge station wagon on a new one: "Americans are getting bored pouring time and money into their cars. There are too many better things to entertain yourself with—outboard motors, new kinds of fishing tackle, skiing, travel. People are just getting too sophisticated to worry about cars."

PACKS AND POWER

Because the consumer has so many other wants, the price of cars has become a big factor. In 10 years the list price of a 2-door Buick Super sedan has risen from $1,800 to $4,000. Now that Walter Reuther is backing down on his wage demands (manufacturers argue that 80 percent of every new car's cost is wages), the industry hopes to hold the price line in 1959; manufacturers would also like an end to the auto excise tax, which adds 10 percent to the price of each new car. But they want it soon. All the talk in Congress, where there are nine bills pending to cut or eliminate it, only tends to slow sales still more. Finally, there is so much razzle-dazzle and price-packing in the auto salesman's spiel that list price is a joke. Ford, Plymouth and Chevrolet, for example, all post about the same factory list price on their cars. But by the time all the extras have been tacked on, the actual delivered price is much more. List price and extras for a 4-door, 6-cylinder Ford Custom 300 in Manhattan:

List price	$1,930.00
Federal tax	154.00
Freight	72.50
Dealer handling	44.72
Automatic transmission	179.80
Power brakes	37.10
Power steering	68.70
Radio	77.10
Heater	70.80
Undercoating	12.80
Two-tone paint	21.60
Total at delivery	2,669.12

Oklahoma's Democratic Senator MIKE MONRONEY, strongly seconded by both GM and Ford, is pressing for a bill requiring dealers to tag all cars with the list of extras and delivered price so that customers know precisely what the factory price is and the price of all extras they are getting. Says one Manhattan businessman: "These car dealers have no idea how much distrust they have built up."

As for workmanship, the tales of the lemons are legion. Cars arrive from the factory with unwelded cross braces, drill bits broken off in screw holes, leaky windows, poor body fitting, the wrong parts—or missing parts. When customers complain, they get little sympathy. The stock answer to every automotive woe from leaky trunks to loose air vents is, as one Milwaukee owner sadly reports, "Can't fix it; they all do that." Says a Los Angeles dealer: "Labor better get smart as to what's happening in the auto business."

One of the things that sold cars during the 1950's was the horsepower race. Every one piled on the power not only for speed but also to run all the new gadgets that consumers enjoyed. Though the higher horsepower makes passing on highways safer, many a critic says that perhaps Detroit should not have bowed to public taste, since the horsepower cuts gasoline mileage. But the industry can cite figures to show that ton mileage has actually improved 5.8 percent in the last 10 years.

RISE OF THE MIDGETS

One big sales argument for small, less powerful European cars is economy. But the midgets are beginning to catch on for reasons a lot more complex than good gas mileage. "Our company has been testing this market by importing Ford of England products ever since 1949," says Benson Ford. "For years the experiment was a flop, with sales averaging only about 3,000 a year." Now the foreign cars are the hottest thing on the market. In 5 years imports have grown from 28,961 annually to 206,827, a healthy 3.46 percent of the total auto market. Forecast for 1958: A gain to 300,000 or more cars, 7 percent of all United States auto sales.

In barely 2 years West Germany's front-running Volkswagen has doubled sales to 64,000 cars annually. France's second-place Renault, which sold 22,586 cars last year, has sold almost that many in the first 4 months of 1958; Italy's Fiat, here only since last June, has already sold 15,000 cars, converted four freighters into auto carriers that can bring in 1,000 cars at a clip. Behind the leaders range a dozen other makes from Britain's boxy Hillman to Sweden's Volvo. Years ago foreign cars were rare outside metropolitan New York and Los Angeles. Today they are almost as popular in New Orleans and Chicago, Denver, and Dallas.

REVERSE SNOBBERY

Though small cars are far from as comfortable as "Detroit's dinosaurs," people who buy them like their chromeless functionalism, relatively low price and low upkeep. Says Cleveland suburbanite Cornie G. Scheid: "It's silly to use a 4,000-pound machine to carry a 110-pound woman five blocks for 10 pounds of groceries." And those with their eyes on the gas gauge find 30 to 35 miles per gallon a welcome relief after United States cars. One Los Angeles lawyer traded his Cadillac for a Volkswagen, and figures that he saves $39 a month in operating costs.

What really sells small cars is not so much their utility as their style. The small car has its own inverted snob appeal, which rubs off on every buyer. Many of the first buyers were hot-rodding eggheads, members of a mechanical intelligentsia who wanted something different. Most small-car buyers, said Los Angeles Renault Dealer John Green, who is aiming at selling 25,000 cars annually, "are people who can afford a larger car. We have a map, and there are hardly any pins in the poorer section of the city. It's like Bing Crosby wearing a sweatshirt to a party. Everybody knows he has a tuxedo if he wants to wear it."

Detroit's Big Three all have stripped-down models selling for little more than $2,000, only $200 or so higher than most small cars. Yet these models find comparatively few takers because buyers fear friends would think this was all they could afford. But the man who pays only $1,800 for a Volkswagen automatically becomes a member of the intelligentsia, and a very shrewd judge of a dollar. As San Francisco Dealer Clarence Krieger says: "When a man buys a foreign car, all he needs is an Ivy League cap, and he becomes a sport."

The mere idea of owning something that is new and different is often enough to send people hurrying off to the foreign-car dealer. Chancy A. Forrester, a 79-year-old retired druggist in Adel, Iowa, recently bought a $12,000 Mercedez-Benz 300–D, which he describes as "purty near perfect. This is the first of its kind in Iowa, and only the 14th in the United States." Says Amanda Berls, a 62-year-old Manhattan woman, who bought herself a 120-mile-per-hour Jaguar XK–150: "Men look on you with a great deal of awe and respect. Owning one has given me a sort of superiority complex. I wouldn't give two tulips for a Cadillac."

DESIGNS AND DEALERS

A few diehard Detroiters still regard the small car as more of a nuisance than a competitor. They argue that it is a fad, that the glamor will wear off as they become more popular. Detroit does not agree that chromeless designs are the coming rage. Nor could automen change if they would. The lead time on design changes is 17 months, and the 1959 models were frozen long before the complaints started. For 1959 the automen will pile on even more chrome; lines will be even more sweeping. Chrysler will be finnier than ever, with tails that zoom up, out, and rearward; Cadillac's fins will be higher, the car itself lower and slightly wider. Chevy will be wider, lower, and almost as long as a small Cadillac. Only Ford will hold the line with a modest face lifting, mainly ornaments, and a return to the traditional round taillights instead of 1958's oval design.

Detroit may be right that small-car sales will soon level off. But one of the reasons sales are climbing so fast is that more and more United States car dealers have taken on small cars until there are 11,088 agencies spread around the United States. Detroit grumbles about dealer loyalty. Yet loyalty comes hard to many United States dealers, who have had troubles with the factories. Says Los Angeles' Mel Alsbury, one of the industry's most respected dealers and 30-year Chrysler-Plymouth veteran whose cars have added to Chrysler's fame by winning the Mobilgas economy run three times: "My biggest complaint is that when the 1957 line was going fast, I just couldn't get stock. Then I took on the Renault line. If it wasn't for those little cars, I don't know if we could stay in business."

ONE MILLION A YEAR?

How big the market will grow is anyone's guess. Some small-car importers put the potential as high as 1 million cars annually. Detroit doubts it. Nevertheless, the big three are taking a long, fresh look at the possibilities. General Motors already imports its Vauxhalls and Opels at the rate of 23,000 annually; Ford is deep in the market with 27,350 English Fords this year, will soon start importing the German Taunus at the rate of 8,600 a year. Despite all rumors, neither Ford nor GM nor Chrysler plans to produce a small car in the United States—at least right now. The market is still too small, must be at least 500,000 cars.

What the industry has done is survey the field to discover what the United States would want in an American-built small car—just in case. Findings: the average United States auto buyer is ready to invest in a United States small car, but he is unwilling to give up the accustomed miracles of Detroit engineering. He wants automatic transmission, power steering, smooth, American-type riding qualities, plenty of gadgets, loads of interior and luggage space and lots of horsepower. In effect, the desire is for everything the United States car already is, only 10 feet shorter, and somehow a lot cheaper. In any case, a United States model would probably be a compact car, something like the Rambler, rather than a small car. Nor will it be cheap. Volkswagen learned that fact of life. It planned to manufacture in the United States, but found that it cost at least $100 per car more. There was one overriding difference—labor cost.

If and when the Big Three put out a compact car, the United States may see a complete reshuffling of its autos. Sales of today's medium-priced models, which are taking the worst sales licking, may shrink further, and some cars may drop out entirely. In their place, bigger, flashier Fords, Chevies and Plymouths may move up to fill the gap between low-priced and high-priced autos. At the bottom will be a new market for utility autos, simply for transportation.

Whatever the problems of the United States auto industry, Detroit is confident that they will be solved. The automen at General Motors, Ford, and Chrysler have been through all these troubles before. Gambling hundreds of millions each year on their new cars, the industry's leaders know that auto tastes are almost as fickle as those in women's fashions. But they also feel that since they are turning out what they are sure 93 percent of the customers want, they will start selling again when the consumers get over recession fears. Says General Motors' Red Curtice, a careful man with a prediction: "It is my belief that we will see an upswing in automobile sales with the introduction of the 1959 models in the fourth quarter."

RETIREMENT OF SENATOR IVES, OF NEW YORK

Mr. JAVITS. Mr. President, yesterday, my very dear friend and colleague, the distinguished senior Senator from New York [Mr. IVES], announced that for reasons of health he had decided not to seek reelection as the Republican candidate for Senator from New York. I wish, in deference to my colleague, that we had been able to have a deliberative session when many more Senators could have spoken. I hope they will do so later. But today seems to be a day, because of the arrival of the Vice President from his tour of South America, which is not particularly suitable for them. However, I felt that I had to speak, as it is the day following my colleague's announcement.

I said yesterday that I was grieved when I heard of the announcement. I was grieved personally. I was grieved for my party. I was grieved for the country.

As the New York Times said this morning about my colleague, Senator IVES:

He has represented New York in Congress ably and honorably.

If there is any key to the character of my colleague, it is the word "honorably."

He is as genuine and fine a human being as has ever graced this Chamber.

As is quite typical of him, he is retiring not because he could not serve as a Senator, but because he could not make an all-out, grueling campaign. He said that were he to conduct anything less than that type of campaign, he would be unfair to the Republican Party, to the people of New York State, and to himself. That is typical of the man and his great qualities.

He has had a wonderful career. I think he is on the threshold of a new career for himself, because his mind, heart, and character will always be at the service of his country.

I know he will always be my friend, confidant, and guide, as he has been, and I feel will continue to be, of the people of his State and the people of the Nation as a whole.

Senator IVES has had a marvelous career. He was born in Bainbridge, N. Y., in 1896. After his graduation from Oneonta High School, he enrolled in Hamilton College in 1914. He is now a trustee of Hamilton College.

He had a wonderful record in World War I. He is a member of Phi Beta Kappa. He was dean of the New York State School of Industrial and Labor Relations at Cornell University. He is perhaps best known as a pioneer of antidiscrimination laws in the United States, having, with others in the New York State Legislature, and with the cooperation of former Gov. Thomas E. Dewey, brought about the enactment of the first FEPC law, which guarantees persons living in New York State equality of opportunity in employment, regardless of their race, creed, or color. He was the real pioneer in this field of law, which has so engaged the States and engaged the Nation.

We shall suffer temporarily a real loss in the retirement of Senator IVES from the Senate, but I am very hopeful that we shall be the beneficiaries of his continued participation in public affairs from whatever vantage point he chooses.

Mr. President, I ask unanimous consent to have printed as a part of my remarks an editorial entitled "Senator IVES' Service," published in the New York Times of May 15, 1958; an editorial entitled "Losing a First-Class Senator," published in the New York Herald Tribune of May 15, 1958; a series of comments made by distinguished citizens of New York State, including former Governor and presidential candidate Thomas E. Dewey; Governor Harriman; the New York State Republican chairman, Mr. Morhouse; the State chairman and national committeeman of the Democratic Party in New York State, Mr. Prendergast and Mr. de Sapio; the State vice chairman of the Liberal Party, Alex Rose; the leading Republican potential candidates for Governor of New York, Leonard Hall, former National Republican chairman, and Nelson Rockefeller, who is very well known in his own right; and also a biographical sketch of my colleague, to which I have referred previously.

There being no objection, the editorials, articles, and biographical sketch were ordered to be printed in the RECORD, as follows:

[From the New York Times of May 15, 1958]

SENATOR IVES' SERVICE

IRVING M. IVES has devoted himself to the public service for more than a quarter of a

century. Elected to the New York State Assembly in 1930, he became in turn minority leader, speaker, then majority leader. In 1946 he was elected to the United States Senate, and is now completing his second term. Through all those years he has been a conscientious, liberal-minded, hard-working lawmaker.

We regret, therefore, that for reasons of health he feels unequal to the strain of running for reelection. He remarks that if he were to conduct anything less than the rigorous, around-the-clock campaign that is required in New York State he would be unfair to the Republican Party, to the people of his State, and to himself. Since, as he says, he would very much like to have continued in the Senate, his statement of withdrawal thus early in the political season is a confirmation of high principles which have always guided him.

As a legislator in Albany, Mr. IVES took a leading part in the drafting of State labor law, unemployment insurance, workmen's compensation, creation of the department of commerce, and the pioneering legislation forbidding bias for reasons of race or religion in the employment of labor. In Washington, his interest in labor problems continued. In foreign affairs he took the progressive, the internationalist point of view, exercising a quietly constructive influence on his party and his fellow Congressmen. Although he has been first and last a Republican, he has been independent enough to incur some displeasure within his own party at times.

Thomas E. Dewey spoke yesterday of Mr. IVES' dedicated public service, for which the people of New York are greatly in the Senator's debt. A significant tribute came also from the Liberal Party leader, Alex Rose, who spoke of his distinguished public career, through which he has enjoyed the respect of organized labor. Labor has not always seen eye to eye with Mr. IVES, nor has the Liberal Party, which turned it back on him in 1952 and 1954. He has had his critics in all parties, including his own. But it was generally recognized, even if for reasons of politics grudgingly admitted, that he spoke and voted his convictions honestly reached and thoroughly thought out. He has represented New York in Congress ably and honorably.

[From the New York Herald Tribune of May 15, 1958]

LOSING A FIRST-CLASS SENATOR

For reasons of health, Senator IRVING M. IVES has decided against seeking a third term in the United States Senate. We regret that the Senator feels compelled to retire. But the veteran legislator, who has served with distinction in Washington and Albany for 28 years, considers that he is not up to the rigors of an all-out campaign. Therefore Senator IVES prefers to step aside.

Both the Nation and New York know IRVING IVES as a progressive and public-spirited lawmaker. He is a modern Republican, one whose record has been consistently forward looking. He is, in short, an Eisenhower Republican who is dedicated to all the constructive principles that the President's leadership stands for.

Labor has long been Senator IVES' specialty. He is vice chairman of the McClellan committee and has been active in pushing for a program of corrective, yet reasonable, labor legislation. Certainly the Senator has always worked hard and intelligently for ways of improvement. And if the Ives ideas were not doctrinaire on one side or the other, as between labor and management, that is because Senator IVES believes in things as he sees them.

All this, of course, New York knew about IRVING IVES before he went to the Senate in 1947. With Tom Dewey he was largely responsible for this State's pioneering law against discrimination in employment. And in Washington he kept up his expert attention to this problem.

The Senate is losing a first-class Senator. But we feel confident that the New York Republicans will see to it that another progressive Republican of equal caliber is nominated and elected.

COMMENTS MADE BY DISTINGUISHED CITIZENS OF NEW YORK STATE

Former Gov. Thomas E. Dewey: "I am sorry to see Senator IVES leave the Senate but I understand his reasons. He has given much of his life to dedicated public service and the people of the State are greatly in his debt."

Governor Harriman: "I extend to him every good wish that his retirement from public life may make it possible for him to enjoy a long and rewarding life."

Mr. Morhouse: "Republicans everywhere in the State share my disappointment and his that circumstances are such that, even with his reelection assured, he believes it best that he not undertake another rigorous political campaign."

Mr. Prendergast and Mr. De Sapio: "We join with those who extend their sympathy to Senator IVES for his ill health. We continue to feel that his decision has no bearing on either the choice of the Democratic nominee or the outcome of the election for United States Senator."

Alex Rose, vice chairman of the Liberal Party: "Senator Ives' decision brings to a halt a unique and distinguished public career. Senator IVES has enjoyed the confidence of people in all walks of life and the respect of organized labor."

Mr. Hall: "I regret that IRVING IVES has decided not to make himself available for renomination. I hope his decision will not preclude him from making his great knowledge and experience available for future public service."

Mr. Rockefeller: "I have always been a strong admirer of Senator IVES. His departure from the scene is a great loss and will be deeply felt by the people throughout the State."

BIOGRAPHICAL SKETCH OF IRVING M. IVES, UNITED STATES SENATOR FROM NEW YORK

Born in Bainbridge, N. Y., on January 24, 1896, Senator IVES enrolled in Hamilton College in Clinton, N. Y., in the fall of 1914, after being graduated from Oneonta High School at Oneonta, N. Y.

The Senator's education was interrupted by serious illness in 1915 and later by the entry of the United States into World War I. In 1917 he enlisted in the infantry, went overseas with the American Expeditionary Forces, and participated in the Meuse-Argonne and St. Mihiel offensives. He was discharged in 1919 with the rank of first lieutenant, infantry, and resumed his education at Hamilton, where he was elected to membership in Phi Beta Kappa. He received the degree of bachelor of arts in 1920.

After being associated from 1920 to 1923 with the Guaranty Trust Company of New York, Senator IVES moved to Norwich, N. Y., to take charge of upstate business for the Manufacturers Trust Company of New York. In 1930 he was elected to the New York State Assembly and shortly thereafter he entered the general insurance business in Norwich.

Serving in turn as minority leader, speaker of the assembly, and majority leader during his tenure of office in Albany, Senator IVES gained preeminence in the New York State Legislature through a long series of outstanding legislative achievements.

Chief among these, and one which early contributed to his stature as a national figure, was the enactment, in 1945, of the Ives-Quinn law—the first legislation to be enacted by any State prohibiting discrimination in employment because of race, creed, color, national origin, or ancestry.

In addition to serving as a member of the New York State War Council, chairman of the council's committee on dispensations, chairman of the State temporary commission on agriculture, and chairman of the State temporary commission against discrimination, Senator IVES also was the chairman of the important joint legislative committee on industrial and labor conditions.

It was in this last capacity that the Senator won national recognition as one of the foremost authorities in the Nation on industrial and labor relations. As chairman of this key committee, he was the author and sponsor of legislation creating the New York State Department of Commerce and the New York State School of Industrial and Labor Relations at Cornell University.

In June 1945 Senator IVES was appointed dean of this new institution, the first of its kind in the Nation. The Senator continued in this capacity until his resignation in 1947.

In November 1946 Senator IVES was elected to the United States Senate for the 6-year term beginning January 3, 1947. The Senator was elected for his second term in November 1952 with the largest plurality ever received up to that time by a candidate for any public office in New York State—1,332,198. He was the Republican candidate for Governor of New York State in 1954. He is now senior Senator from New York State.

In Washington Senator IVES has continued to play the outstanding role in the Senate which distinguished his service in the New York State Legislature.

Calling upon his long experience in the field of industrial and labor relations, Senator IVES has been indefatigable in his efforts to secure that kind of sound legislation which is designed to create the optimum conditions for free collective bargaining and which will meet the problems of wages and hours, workmen's compensation, social security, etc.

Transferring also his interest in the enactment of antidiscrimination measures from the State to the National arena, the Senator on several occasions has introduced in the Senate bills which would establish a Federal Fair Employment Practices Commission, and has been a sponsor and stanch supporter of all other major civil rights legislation before the Senate.

In 1933, Senator IVES was appointed by President Eisenhower to be chairman of the United States delegation to the International Labor Organization Conference at Geneva. The Senator was then elected President of the Conference, the first American to receive this honor from the ILO. Senator IVES was further accorded the honor of being the first president elected unanimously.

As a Senator, Mr. IVES has also been actively interested in housing legislation and rent control; the promotion of Federal farm legislation embracing the principles of flexible price supports and reduced subsidies; the solutions to the problems arising from the Federal Government's relations with international organizations; and the formulation of legislation to meet America's responsibility for displaced persons. He has moreover, strongly supported the Hoover Commission recommendations for reorganization of the executive branch to effect greater economies in the operation of the Federal Government. Enactment in 1957 of legislation authorizing development of additional hydroelectric power at Niagara Falls climaxed a 7-year effort on the Senator's part to resolve this highly controversial issue. He also was coauthor of a bill which would establish a national health and medical service program on a voluntary basis. Finally, as a veteran himself, he has been most active in securing legislation extending adequate Federal benefits to veterans of World Wars I and II, and he was primarily responsible in 1957 for Senate approval of legislation including

New York's policemen and firemen under the provisions of the social security law.

His first wife, Elizabeth M. Skinner, whom he married in 1920, died in 1947. He married Marion Mead Crain in 1948. He has one son, George Skinner Ives, who is presently serving as the Senator's administrative assistant.

Senator IVES has served for many years on the board of trustees of Hamilton College and is a former Cornell University trustee. He is also a member of the American Legion, the Veterans of Foreign Wars, Veterans of World War I, the Benevolent and Protective Order of Elks, the National Grange, Theta Delta Chi Fraternity, and the Pilgrims of the United States. He is a Presbyterian.

The Senator has been awarded the following honorary degrees: Doctor of Humane Letters by Hobart College; Doctor of Laws by Hamilton College, Alfred University, Syracuse University, Hartwick College, Bard College, and Yeshiva University; and the Doctor of Civil Laws by the New School of Social Research.

Senator IVES is a member of the Senate Committee on Appropriations and the Senate Committee on Labor and Public Welfare, and is Vice Chairman of the Senate Select Committee on Improper Activities in the Labor or Management Field.

Mr. FULBRIGHT. Mr. President, I had intended to ask unanimous consent to have printed in the RECORD, the editorial, published in the New York Times, paying tribute to Senator IVES, of New York. Since the junior Senator from New York [Mr. JAVITS], has had the editorial printed in the RECORD, I shall content myself by saying that I deeply regret that a man of the outstanding ability of Senator IVES, has found it necessary not to run for reelection, and I desire to associate myself with the remarks made by the junior Senator from New York.

Mr. SCHOEPPEL. Mr. President, I associate myself with the remarks made by the distinguished junior Senator from New York [Mr. JAVITS], concerning the retirement of the senior Senator from New York, IRV IVES. Obviously, the announcement of his retirement comes with great disappointment to us who have served with him on the Republican side of the aisle. He was more than a Republican Senator. The record of IRV IVES before he reached the United States Senate was illustrious and distinguished. He has served in the Senate with distinction, honor, and credit to his great State of New York. He did much pioneering.

Above all of that, which is, of course, a glorious record, IRV IVES, when he leaves the Senate, will leave to us on this side of the aisle the inspiration of a great record, worthy of emulation. We had hoped that his health would permit him to make an active campaign and that he would be returned to Congress as one of the great Republican Senators. But that is not to be.

Mr. President, we want IRV IVES to know that our best wishes go with him in his new and chosen field, but we sincerely regret that the United States Senate, the great State of New York, and the country as a whole be deprived of such notable and valuable service as he has rendered as a Senator.

Mr. SALTONSTALL. Mr. President, I should like to add a few words regarding the prospective retirement of our good friend, the Senator from New York [Mr. IVES].

I knew Senator IVES when he was a member of the New York Legislature; and when I was Governor of Massachusetts. On several occasions we talked over the telephone, concerning problems mutually affecting our respective States.

For the past 10 years, I have served with him in the Senate. I have come to respect him, both as a person and as a legislator. He thinks things through, studies all matters very carefully, and then proceeds independently to reach his own conclusions. Once he reaches them, he stands by them.

Senator IVES has become an authority on legislative matters relating to public welfare, pension laws, and labor laws. In the days to come, we shall miss his advice, his counsel, and his hard work.

Of course I respect the reasons for his prospective retirement; but in the days to come I shall certainly miss him very much, both as a friend and as a Senator from New York.

Mr. ALLOTT. Mr. President, I should like to associate myself with the remarks my colleagues have made concerning the prospective retirement of the senior Senator from New York [Mr. IVES].

For 3 years it has been my privilege to be associated with him on the Senate Committee on Labor and Public Welfare. To say that I have enjoyed that work is greatly to understate the case.

The service of Senator IVES on that committee has demonstrated more than anything else, I believe, the fine, outstanding qualities which have endeared him both to the people of New York and to all those who have worked here with him.

As is true in the case of any man of integrity, sometimes his views have not been shared by some of his colleagues. However, it is characteristic of Senator IVES that after disagreeing entirely, at times, with some of his colleagues, and after fighting hard for his side of a case, and after debating it thoroughly, then, when the issue has been determined, and regardless of whether he has won or has lost, he still has retained a complete sense of objectivity regarding the issue, and, better still, he has retained a complete sense of objectivity toward his colleagues who participated with him in the debate.

That is a great quality, and one which I have appreciated very much in Senator IVES; and it certainly enhances my deep regret that the arduous duties of his office have forced him, in his ill health, to decide to retire from the Senate.

Mr. WILLIAMS. Mr. President, I desire to join all my colleagues in expressing deep and sincere regret that the senior Senator from New York [Mr. IVES] has decided that he must retire from the Senate.

Eleven years ago, I came to the Senate on the same day when Senator IRVING IVES, of New York, commenced his service here. During the years since then, I have come to respect him, not only as a person, but as a distinguished and outstanding Member of this body.

It is certain, beyond any possibility of doubt, that history will record Senator IVES not only as a great Senator from the State of New York, but also as a great Senator of the United States as a whole.

Mr. COOPER. Mr. President, I rise to join my colleagues in expressing very real sorrow that our colleague, the distinguished and very able senior Senator from New York [Mr. IVES], has decided that he will not be a candidate for reelection to the Senate.

I, too, came to the Senate in 1947, at the same time when Senator IVES commenced his first term of service here. Throughout the years since then, although I have not been here all of that time, I have enjoyed and appreciated his friendship and helpfulness on many, many occasions.

I agree with all that has been said by my colleagues about the distinguished senior Senator from New York. We realize only too well that, following his retirement, he will be sorely missed by all the Members of this body. His departure from the Senate will represent a great loss, both to his own State and to the entire Nation. That is true because all Members of the Senate have come to recognize that Senator IVES has demonstrated his outstanding abilities and most important qualities of forthrightness, honor, reasonableness, and justice in connection with his every thought and his every action.

So, Mr. President, I repeat that the retirement from the Senate of Senator IRVING IVES, of New York, will be a great loss to this body.

I predict—as his colleague, Senator JAVITS, has so well expressed—that in the days and years ahead, Senator IVES will devote his great abilities to important service in many other fields.

I wish for Senator IVES and Mrs. Ives all happiness and success in the future.

Mr. CURTIS. Mr. President, I regret that the senior Senator from New York [Mr. IVES] has announced that he will not seek reelection to the Senate.

I wish to pay tribute to Senator IVES' devotion to duty, to his high ethical standards, to the fairness with which he has approached his work, and to the generous and helpful attitude he has displayed toward all his colleagues. Those qualities on the part of our distinguished colleague from New York have been manifested particularly in connection with issues on which areas of disagreement have arisen between him and some of his colleagues.

Mr. President, Senator IVES, of New York, has rendered outstanding public service. I join all my colleagues in expressing sincere and lasting regret that he is to retire from the Senate.

Likewise, I join all other Members of the Senate in wishing for both Senator IVES and Mrs. Ives many, many fine things in the future.

Mr. MANSFIELD. Mr. President, I desire to join my colleagues in expressing regret at the decision on the part of the senior Senator from New York [Mr. IVES] to retire from the Senate.

Senator IVES has been a good Senator, and certainly he has been well versed in general welfare and labor legislation.

He has made important contributions to the Senate.

I wish for him and for Mrs. Ives many years of happiness in the future.

VICE PRESIDENT NIXON'S TRIP TO SOUTH AMERICA

Mr. COOPER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD several editorials which comment on the Vice President's visit to South America.

These editorials point out that a review of our country's relations with our sister Republics in Latin America may well be a beneficial result of the Vice President's visit, and even of the unfortunate incidents which occurred. But all point out the courage, the dignity, and the honorable manner in which he represented the United States; and these comments apply also to Mrs. Nixon.

There being no objection, the editorials were ordered to be printed in the RECORD, as follows:

[From the New York Times of May 14, 1958]

BEIRUT, ALGIERS, AND CARACAS

The United States is paying the penalty these days for having become the greatest power of the Free World. It is not accidental that anti-American demonstrations took place the last few days in South America, Lebanon and Algeria. It is not surprising, either, and Americans must learn to look upon such manifestations philosophically as well as indignantly.

This is not a plea for the demonstrators, of course, or for the evil or misguided forces behind them. It is a mere statement of the realities and liabilities of power politics. The United States, its people, Congress and Government are therefore facing a test of maturity, statesmanship, and commonsense.

The worst possible reactions to such events would be a withdrawal into isolationism, an attitude of washing our hands of the troubles in the world, a temptation to blame everything on the Communists via Moscow or, the worst of all, an angry impulse to punish the countries where these deplorable incidents take place.

Those who are historically inclined can look back on the experience of the British during the great days of their worldwide empire and influence in the 19th century. Nobody loved perfidious Albion, but no statesman in the successive governments in London let that interfere with British policies. The whole point, with us today as with the British yesterday or the Romans 2,000 years ago, is that a great power must consider its own interests, and if it is truly great those interests will be best for all nations subject to its influence.

This ages-old axiom was never more true than it is today when we are engaged in a struggle to defend and propagate a philosophy of freedom against a philosophy of totalitarianism. Even putting the issues on their most material basis it is an undeniable fact that the United States cannot stand alone, cannot live without allies in Latin America and Europe, cannot hope to be a fortress or a skyscraper in a world being undermined by poverty and subversion.

The Latin American students who throw rocks at Vice President NIXON and try to drag him from his car, the mobs in Beirut and Algiers who destroy USIA libraries are reacting to symbols. They have nothing against RICHARD NIXON personally, nor do they want to live without books, nor do they even have any dislike for Americans as fellow human beings. They are striking against the things for which they think the United States stands. The Communists involved are revolutionaries in the service of Moscow and the world revolution. Others have special interests like the French "colons" in Algeria and the pro-Nasser agitators in Lebanon.

What are we to do about it? For one thing we must face the realities and stop living in what sometimes resembles a fool's paradise. It should have been clear to all Americans that our position in the world was not clearly understood. This is a matter of foreign relations. Moreover, it ought to have been obvious that a negative and defensive posture—simply defending the free West against the strangling menace of the Communist bloc—was not winning friends and influencing people on our behalf.

We and the things we stand for will survive when we live up to the ideas we profess. To help dictators, to put up tariffs on lead and zinc, to scorn all suggestions to stabilize commodity prices, to turn one's attention elsewhere, has not won us the support we want and need in Latin America. Vice President NIXON will doubtless have much to say on that score when he returns.

The United States has vast power, but in recent days, as everyone must see, that power is not being respected as much as it should be. If we cut down on foreign aid, raise tariffs, reduce import quotas, one thing is certain—the United States will get still less respect and a lot more dislike. We will be playing right into the hands of the Communists and we will be contributing to a widespread economic crisis for which we will pay a higher price in the end than anyone else.

The anti-American demonstrations these days in such scattered parts of the world are warnings. There are a lot of lessons to be drawn from them, but one is vital: the United States reaction must be positive, helpful and constructive. We certainly have grounds for protest, but not for fear, discouragement or vindictiveness.

[From the Philadelphia Inquirer of May 14, 1958]

INSULT TO NIXON AND UNITED STATES

Once more Vice President RICHARD M. NIXON has been outrageously attacked while on his tour of South America—and once more the real target of the attack is not the Vice President personally, but the United States.

That much we can safely conclude from the disgraceful outbreak in Caracus, Venezuela, when Mr. NIXON and his wife were spat upon by a jeering crowd, and stones and other objects were thrown at them.

For there has been nothing in Mr. NIXON'S conduct, either before or after the attacks, which would offer the slightest reason for South American mobs to single him out for the object of their venomous feelings.

The Vice President has stood for civil rights in this country, and is part of an administration which earned praise from everyone except the bigots for its firm stand on upholding the desegregation law in Little Rock, Ark. Yet howling students in Caracas grabbed Mrs. Nixon, yelling "Little Rock! Little Rock!" and a man shouted at NIXON "You don't like Negroes there."

Mr. NIXON has patiently explained to questioners throughout his tour the American stand against intervening in internal affairs of other countries. But he was assailed by cries of imperialism in Lima, Peru, and has been spat upon in Venezuela, where the United States has just recognized a new government which threw out Dictator Perez Jimenez.

Vice President Nixon has tried to point out, in interviews with all kinds of groups in the countries he has visited, that America wants to aid them with private capital, but would like to see the conditions that attract private capital. And, in Venezuela, where American capital has brought unheard-of prosperity, he was jeered.

There is no doubt these outbreaks were organized and the evidence is strong that Communists were behind them. From mild jostling in Buenos Aires they progressed to rock throwing in Peru, and to this latest episode in Venezuela, each one more violent than its predecessor.

In view of that record, it is hard for Americans to understand why effective measures were not employed yesterday in Caracas to make sure there was no demonstration against Mr. NIXON, which at best would be an insult to the United States and at worst could have ended tragically.

There were advance warnings that an attempt to harm Mr. NIXON might be made. Yet, when the time came, students—some of them suspiciously old—easily broke through thin police lines, shouted imprecations at the Vice President, tried to prevent Mrs. Nixon from entering the official limousine, broke its windows, and made a mockery of security precautions.

As Americans, we may be proud of our Vice President again for his presence of mind as well as his courage. Never forgetting the good will purpose of his visit, he ignored the flying stones and angry howls of the mob to shake hands with a group of airport mechanics. It was an effective way of emphasizing that the disgraceful actions of stirred-up mobs do not necessarily represent the feelings of all South Americans.

As Americans, we have a right to be angry at the affronts to our Vice President and to our Nation. Coming from countries which have received great benefits from this country, and are constantly trying to bludgeon us for more, these insults are doubly hard to take.

President Eisenhower spoke for all of us when he ordered the State Department to call in the Venezuelan charge d'affaires to receive a protest. The rarity of such personal action by the President as a result of an occurrence abroad underscores the seriousness with which he—and other Americans—view the outrage.

But, finally, as Americans, we ought to be aware of the lessons in Mr. NIXON'S tour. Rather than take for granted our relations with South America, we should pay more attention to what needs to be done—by the nations of South America more than by us—to restore the good feeling that is essential in our hemisphere.

[From the New York Herald Tribune of May 14, 1958]

NIXON'S TRIAL BY FIRE

If Vice President NIXON was entitled to admiration for the courage with which he underwent his ordeal in Lima, he is entitled to even more for his performance at Caracas.

His life was clearly in danger.

His car was wrecked by stones and pipes, its glass broken, his translator, Lt. Col. Vernon Walters, cut in the mouth by flying glass. NIXON, himself, was hit, but uninjured.

Tear gas was required to break up the rioting mob of youths and students.

The car was covered with spit and rotten eggs.

The American flags were ripped from their standards.

The entire party was rushed to an emergency hospital for fear of injuries.

Once more NIXON stepped out, unperturbed.

"I'm all right," he said. "They cannot frighten me."

His unflagging courage in the face of very real physical danger will increase the admiration which his fellow citizens already feel for their Vice President.

But will not diminish the anger which they also feel at the insult tendered our Nation, our flag, and the person of our second highest executive.

It is the same anger which President Eisenhower reflected in having airborne troops and marines dispatched to the Caribbean area, ready to protect Mr. NIXON if Venezuela is unable to do so. Doubtless they will not be needed. But this Nation will protect its Vice President if that proves necessary.

[From the Pittsburgh Post-Gazette of May 10, 1958]

MR. NIXON IN PERU

Vice President NIXON showed commendable courage in facing up to the ugly anti-American demonstrations which marred his good-will visit to Lima, Peru.

A man of lesser courage and faith in the essential rightness of his mission might easily have ducked insults and abuse by avoiding an appearance at San Marcos University, which officials had advised him to pass up as a probable source of trouble.

But Mr. NIXON faced a howling, rock-throwing mob, said to have been led by Communist and Fascist elements, more than once and probably won converts in the process.

Whatever Mr. Nixon's conduct, however, we see the reaction to his visit in Peru and other South American countries not in terms of the Vice President as a personality but as a symbol of the United States and its relations to Latin America.

In other words, we suspect that the reception accorded Mr. NIXON probably would have awaited any other American visitor of comparable official status. The demonstrations must surely be a protest not against the man but against his Nation and its policies.

The validity of the protests is open to question. It is beguilingly easy to put them down as nothing more serious than the organized efforts of a clamorous and conspiratorial Communist minority We would like very much to believe that that is all there is to it.

But it isn't quite as easy as that, we are afraid. Since the Communist Party is outlawed in Peru and thus has no official status, it is difficult to estimate its numerical strength or to gage the extent of its influence.

Even if we may assume on the basis of Mr. NIXON'S reception that the Red influence is strong, we doubt that it tells the whole story. Actually, we suspect, many Peruvians join an anti-American demonstration not because of Communist sympathies but through resentment of United States economic policies.

Peru's shaky economy has recently sagged deplorably as a result of a decline in world demand for lead and zinc, two of its chief revenue-producing exports. The country is wracked by interparty strife, politically motivated strikes, recession, and inflation. Last year, it had a foreign-trade deficit of $118 million. It was among the nations which suffered when the United States released surplus cotton and depressed the price on the world market.

Thus it seems likely that poor Mr. NIXON has had the misfortune to harvest a mixed crop of ideological, political, and economic complaints against the colossus to the north.

The Vice President's reception in Peru is regrettable not only for its personal insults but also for what it suggests as to our relations with our traditionally good neighbors to the south. Still, it is well for us to know the truth and face up to it.

To the extent that Mr. NIXON'S visit exposes the real nature of affairs in South America and suggests a way of improving inter-American relations, it will be invaluable.

TOWARD A DURABLE PEACE

Mr. MANSFIELD. Mr. President, the remarks I am about to deliver, and those which I shall deliver in subsequent addresses, were prepared before the recent serious incidents in Latin America, the Middle East, and North Africa broke upon the world. These incidents, Mr. President, despite the shameful riots and mob assaults upon innocent persons which they have entailed, may have served one purpose. They may have shattered the dangerous illusion that all is right with foreign policy; that all we need to do is more of what we are doing; and that, in time, the troubles of the world and the evils of communism will melt away, and peace will come to stay.

As a result of these incidents, I have not altered my remarks, except in one respect, which I shall mention in a moment. I have not done so, because they were prepared, even before these incidents took place, in the conviction that all was not right with policy; and that, to make it right, to build a durable peace, we needed to do many things differently from the way we are now doing them.

I am sure there will be regrets at some of the things I am about to say. Some will think this is not the right time to say them, particularly in the light of recent events.

I might have altered my remarks, to meet these objections. I have had time to do so. But I have not done so. I have not done so, Mr. President, because after the incidents have receded into the past, the basic problems will remain. I have not done so, because I believe that if there is to be a chance for freedom in a world at peace, it lies in coming to grips with the international realities which confront us. If I did not define these realities as I see them, I would be doing an injustice to the intelligence of the Senate and an injustice to my own conscience.

These remarks may add little to the solution of the difficulties of foreign policy at this critical time. If they are to add anything, however, they must be, not expedient remarks, but honest remarks.

I said that I had not altered these remarks, except in one respect. That one respect is a deletion of what I had intended to say on Algeria. I have altered this section because what is happening in France is more than an incident. It is the trial of the soul of a great free nation. It is an inner struggle with which only the French people themselves can come to grips. No words from outside at this time, however well intended, however sincerely spoken out of friendship for France, can aid in that struggle. They can only be seized upon by the enemies of France and liberty, to make the struggle more difficult.

I proceed now, Mr. President, to the first of four addresses which I propose to deliver in the Senate within the next 10 days.

THE PRESSURE POINTS OF DANGER

Mr. President, weeks and months have passed in the search for the road to the summit. What began as a quest for greater international stability threatens at all times to degenerate into a free-for-all, a verbal free-for-all, if not worse. Letters go back and forth across the ocean. Words fly thick and fast. The polite language of diplomacy gives way to stronger stuff. The chips appear on national shoulders. One epithet leads to another and—if I may make light of a grave matter—the olive branches tend to become shillelaghs.

All this, Mr. President, in the name of peace. All this, Mr. President, occurs not at the summit, where the stress of dealing with great international issues might excuse momentary lapses on the part of the world's leaders. It occurs at the mere idea of the summit meeting.

Let me make clear at the outset that I have no special attachment to summit conferences. On the contrary, I have had, and have expressed, serious doubts as to the advisability of a meeting of heads of states in present circumstances. Because I have had such doubts, I have refrained from discussing foreign policy on the floor of the Senate for the better part of this session. It seemed to me appropriate to remain silent so long as a meeting which could advance the cause of peace might be imminent.

Perhaps some good will still come of the diplomatic fencing that is now in process. I hope so. I hope the beating of the bushes at the base will open a clear way to a fruitful summit. In the light of events of the past few weeks, however, it seems to me that no useful purpose is served by remaining silent any longer.

For, to doubt the utility of a particular international meeting in a particular set of circumstances, as I have doubted it, is not to question the desirability of peace. Even more, it is not to ignore the urgency—the enormous urgency—of a more durable peace, for this country and for the world.

That, I fear, is precisely what is being ignored, in the present groping for the summit. We are losing sight of the ends of negotiation in the haggling over the forms of negotiation.

A decent respect for the opinion of mankind demands something more than a mere angling for hollow propaganda victories at this critical hour. It demands something more than the sorry spectacle of the political leaders of the world wrangling in public over the important, but secondary, questions of when to meet, where to meet, and whom to meet.

These questions are not what lie at the root of the anxieties of this country and of the world. The burning question in the hearts of decent men and women everywhere is not how the nations meet, but can the nations meet on any reasonable and honorable grounds in an effort to pull the world from the edge of the disaster on which it now treads?

Let there be no mistake about the urgency of this question. In this country our lives may go on in an unruffled fashion. The day-to-day problems may still take priority in our thoughts. I assume that it is the same with the Russians, the Europeans, the Asians. We may find, as may they, a kind of dubious comfort in the belief that the new weapons of war are so deadly that they have

terrified the world into a permanent, if somewhat quivering, peace.

That comfort, Mr. President, if any feel it, is illusory. This so-called peace of mutual terror, of mutual deterrence is no peace at all. It is not even a pause in the headlong rush into hideous destruction. Under the seeming calm of this peace, the pressures of conflict continue to accumulate. The weapons of mass annihilation pile up and grow more deadly. The countdowns quicken. A slip here and there, a momentary touch of madness somewhere, and the rain of death will begin.

It is not only the Russians or ourselves who rest fingers on the hairtriggers of ultimate war. Unstable political situations exist throughout the world and they, too, can provide the spark. These situations, in Europe, in the Middle East, in the Far East are like fused A-bombs, which, I understand, are used to detonate H-bombs. If one of these smaller explosive situations gives way, it may well fire the massive instability of Soviet-American relations.

These considerations prompt me to address the Senate today. I present my remarks and the three additional speeches which I propose to make during the next few days in a spirit of responsible Democratic cooperation with a Republican administration. I present them in the hope of making some contribution, however limited, to the efforts of the Senate, the President, and the Secretary of State to deal with the enormous problems of the safety of the Nation and the peace of mankind.

I present them now because the chance to pursue constructive action for peace will not last forever. I present them now because I believe that the world is living on borrowed time when it lives in mutual terror.

I have already noted, Mr. President, that the fundamental issue is not where, when, and with whom to meet. The basic problem is to seek to reduce the threat of destruction which confronts not us alone, not the Russians alone, but the whole of civilization; in truth, the whole of the human species.

The question for which we must seek an affirmative answer is whether or not it is possible to build a way of international life in this second half of the 20th century other than this reckless dance of cold war in the name of peace, ever closer to the brink of extinction. Can we begin to find that way now? In short, can we replace the unstable deterrence of mutual terror with a more durable order?

I do not know, Mr. President, whether we shall be able to bring about a transition to a more stable world. I do know, however, that the transition will not materialize out of pious or propagandistic generalities on peace. It will not be built unless the will to peace is as determined in the statesmen of the world as the hope for peace is real in the hearts of the people of the world. It will not be built unless there is an open and honest appraisal of the pressure points of danger, the pressure points at which peace may give way. It will not develop unless there is action, practical action, to strengthen international stability at these points.

What I am trying to express to the Senate is that there is, in my opinion, an urgent necessity for a step back from the "awful abyss" into which the Secretary of State gazed with such justified horror a short time ago. What I am trying to suggest is that there may be ways to reduce the accumulating pressures for conflict at points where it seethes in volcanic proportions. What I am trying to say is that we must seek these ways now, and we must seek them in all good faith.

One of the pressure points, Mr. President—perhaps the most dangerous—I do not feel adequately informed to discuss at this time. I refer to the possibility of an accidental war between this country and the Soviet Union. This is a highly technical question, and most of the information which is needed to try to answer it is either secret or unknown. Permit me, however, to make only this brief observation on the matter.

A short time ago the Soviet delegate at the United Nations advanced and then withdrew a resolution against the United States. He contended that the practices of the Strategic Air Command in the Arctic regions could touch off an accidental war at any time.

These practices, as the Senate knows, are designed to keep our retaliatory forces at instant readiness to meet an aggression. The world was subsequently given assurances by President Eisenhower that the practices were foolproof against accident. I accept those assurances, knowing as I do something of the splendid caliber of the men and women who staff the Strategic Air Command.

I must ask, however, as I am sure others must ask, what assurances are there that similar practices of the Russians are also foolproof? I must ask, what assurances are there that these practices, even if they are foolproof on both sides today, will be foolproof tomorrow? Will they remain foolproof as each step forward in the development of missiles reduces the time available to rectify the human and mechanical errors which are inevitable in any massive system of military operations?

The answer, Mr. President, is that there are no assurances and there can be no assurances without the growth of a more stable international situation. It will matter little to a world reduced to smoldering ashes and radioactive rubble that it was a Russian rather than an American error which brought civilization to ruin.

The Russians have rejected the concept of international inspection of the Arctic region, which presumably would have reduced the danger of accidental war. That is regrettable, but it is no excuse for throwing up our hands in despair or disgust. For if it is in their interest as well as ours—and I must assume that it is—to avoid an accidental war then we must continue to seek ways to avoid it, as must they.

That is all I wish to say at this time, Mr. President, on the question of accidental war between the Soviet Union and the United States, although, as I have already noted, it is one of the major sources of danger which confront us and the rest of the world. I hope that the distinguished members of the Disarmament Subcommittee, the Space and Astronautics Committee, and the Atomic Energy Committee, members of both parties, will illuminate this matter for the Senate in the weeks ahead.

Let me turn now to other pressure-points of potential conflict, to the principal unstable political structures in the world. Let me outline the situations which I shall be discussing in addresses during the next few days.

In these situations, Mr. President, in Europe, in the Middle East, the Far East, the danger of war—the ultimate war—may not be apparent or imminent, but it is nevertheless real. The need to strengthen stability in these areas, the need to reduce the likelihood of a miscalculation or an act of compulsive madness is imperative. At these pressure-points, Mr. President, the danger arises not merely from the tensions between the United States and the Soviet Union. It arises equally, and perhaps even more, from the instability that is inherent in these regions themselves. It is not inconceivable at these points that in the manner of A-bombs setting off H-bombs the Russians and ourselves may become involved in a conflict, triggered by hands other than our own.

Let me take first, Mr. President, the instability of Europe. It seems to me a dangerous misreading of history to assume, as some of our statements of policy appear to assume, that the only threat to peace in that region lies in an aggression by Soviet military power. By the same token, it is equally erroneous for the Russians to assume, as they have apparently chosen to assume, that the principal threat to the Soviet Union lies in the presence of United States military power on the Continent of Europe.

This confrontation of the two principal military powers of the world is indubitably a danger, but is it the only danger? In truth, is it the principal danger? It is well to remember that Soviet military power did not move westward in Europe nor United States military power eastward across the Atlantic until Europe itself, west and east, had set Europe aflame. This experience of World War II constrains upon us, as it does upon the Russians, the greatest caution in assuming that the answer to Europe's problems is merely the withdrawal of the military power of one or the other or both.

There are other factors which underlie the instability of Europe. It may be in these factors rather than in the Soviet or American presence on the continent that the seeds of eventual conflict are implanted. Ironically, it may even be the presence of these outside forces which so far has prevented the seeds from growing.

At this time, Mr. President, I wish only to suggest some of these other factors, for I shall be discussing them at greater length in subsequent remarks. None of these factors, as the Senate knows, is more significant than the division of Germany. The continued separation of what is one great nation into two shall threaten the peace of Europe as long as it lasts. Let me say with equal

emphasis, however—and this is an aspect of the problem which is often overlooked—the answer to the threat posed by division is not unification at any price and in any circumstances. The answer to the problem is German unification in peace and for peace. Unless this qualification is added, German unification will be just as much a threat to European stability as German division. Let us face honestly the fact that twice we have had German unification and twice it has taken turns which destroyed the peace of Germany, the peace of Europe, and the peace of the world.

The problem of German unification is related to another basic factor underlying the danger of stability in Europe. It is inseparable from the problem of maintaining firm unity in the Western European countries and close cooperation among the free nations of the West. The best hope of a Germany unified in peace and for peace lies in a Germany wedded to a Western Europe integrated in peace and for peace. For, it was largely the divisiveness and the insane rivalries of this region, rather than the actions of Russia or the United States, which twice in the lifetime of most of us sanctioned attempts at the suicide of Western Civilization.

The states of Western Europe are now embarked upon the long and painful journey to find in common what is now denied to each alone. They are seeking a new system of economic and social progress in peace and in freedom, beyond the concept of the national state, which will serve all the people of Western Europe. It has taken years of strife and agony and the lives of millions to bring Western Europe to this point. Those unlived lives, those lost years, sacrificed in keeping apart what is one basic culture, can never be reclaimed. They are a price paid for the failure of European leadership in the past to face the realities of the 20th century. They are a tribute exacted for the divisive fear and short-sighted national selfishness of generations of Europeans.

What is important now for Western Europeans is not to look back in pity or in anger, or in fond but empty dreams of a former national grandeur. What is important is that they look ahead to the new and integrated Europe which is building, to the Europe of the Coal and Steel Community, to the Europe of Euratom, to the Europe of the Common Market, to the Europe of the Defense Community.

That process must go on; it must not falter for, if it does, the Europeans will lose the promise of tomorrow. They will scuttle back to the tattered pattern of national rivalry and division. Only there can be no going back now for Europe and the world, to anything except chaos and the final act of disaster.

If there are sources of instability in Europe in the unsolved problems of German unification and in the still incomplete and untried integration of the Western Nations, others of equal importance exist in Eastern Europe. The instability in the latter area, Mr. President, stems from the denial of a secure national existence to the principal peoples of that region, to the unfulfilled desire which exists among them for personal freedom and for the dignity of human equality.

The indictment against the Russians on this score, Mr. President, is not that they made these problems. The problems, for the most part, were in existence long before the Soviet Union moved to dominance in Eastern Europe. The indictment against the Russians, Mr. President, is that they have denied the promise of progress on these problems which existed at the end of World War II. The indictment against the Russians is that in dealing with the people of countries like Poland, Hungary, Rumania, Bulgaria, and Czechoslovakia, for whatever their reasons, they have even turned back the clock.

The Russians may not wish to discuss Eastern Europe in international conferences. Nevertheless, the problems are there. Until a substantial beginning is made in their solution, instability will continue to plague that region. It will do so not because we inspire it, as the Russians may choose to think, but because the urge to a secure national existence, to personal freedom, to equal human dignity, that pounds in the breasts of men cannot be stilled. So long as the people of Eastern Europe find an inadequate outlet in progress toward these ends, the peace of Russia, Europe, and the world remains in danger.

I turn from Europe now, Mr. President, to a second major pressure-point of potential conflict, to the Middle East. Let me say that here, too, I disagree with the premise of this administration that the primary threat to peace is the penetration of the region by Russia. And I certainly disagree with what is the Soviet premise, that the primary threat to peace is Western imperialism, to which we are invariably linked by Russian propaganda.

True, the Soviet Union is engaged in the most dangerous kind of international mischief in the Middle East, aimed at the Western Nations. True, we have direct and indirect interests in the region and Western Europe has an economic stake which borders on the desperate. In these circumstances, there is always the possibility of a premeditated clash between the two in the Middle East. I venture to suggest, however, that this possibility is not the major danger of war in that region. I venture to suggest that a greater danger lies in the acute instability within the region itself. If inner-generated tensions snap the thin thread of stability which now exists in the Middle East, the consequences, in the manner of A-bombs firing H-bombs, may be to set aflame the rest of the world, in a war not necessarily sought by the Russians, and certainly not by ourselves.

I venture to suggest, further, that it is not the present policies of the Russians, of the Western European nations, or ourselves which are at the base of these tensions. The unscrupulousness of Soviet policy; the inadequacies of Western policies certainly may play a part in keeping alive these tensions. More fundamentally, however, the base of Middle Eastern instability is the sudden release, the release in explosive proportions and, not infrequently irrational patterns, of the long-repressed and essential forces of change within the area itself, the release of these forces by the levers of nationalism and the promise of modern progress which it contains. Those who rave and rant against the Western Nations over the grievances of the past will do well to remember that there is another side to the story. They will do well to remember that if, in the past, exploitation came out of the West, so too, was it from the West that the levers of essential change were extended to the Middle East.

The fundamental danger to peace in the Middle East today is the uncertainty, the unpredictability of the direction of change. This change can flow into the peaceful political, economic and social progress of all the people of the Middle East. It can readily be diverted, however, by the techniques of terrorism, conspiracy, propaganda, and militarism into destructive channels. The still unanswered question is whether it will be possible to dig deeper the channels which lead away from destructive conflict toward peaceful progress in the Middle East. That is a problem primarily for the peoples of the Middle East. What the Russians do, what the Europeans do, what all nations do, however, will have a great influence on the answer.

I turn, finally, in these remarks today, Mr. President, to the pressure-points of danger in the Far East. As in the other regions I have been discussing, the factor of tension between the United States and the Soviet Union is present in the Far Eastern situation. Again, however, it may not be the decisive factor in casting the die for peace or war. Again, factors within the area may be more significant.

The principal points of danger in the Far East at this time lie in the divided countries of Vietnam and Korea—the latter particularly—and in the unsettled status of Formosa. War may begin at any of these points, despite an honest desire, if such might exist, on the part of the Soviet Union as well as this country, to avoid it. Once begun it may well spread to engulf the entire region and the world. World War II commenced in the Far East, in Manchuria. What happened once is even more likely to happen again, given the infinitely more complex and interrelated globe on which we now live. It can happen again unless we and the Russians, unless the people of the Far East most of all, come to grips with realities in that region, and unless this is done soon.

I have said it before and I say it again. What exists now in the Far East—in Korea, Vietnam, and Formosa—is no peace at all. Any attempt so to describe it is to delude the deepest hopes of the people of this country. It is to make a political mockery of the sacrifices in lives and money which they have made in that region in World War II and in the Korean conflict, in all the years since 1941.

What exists in the Far East is a truce, a tenuous truce, maintained in large part by a 24-hour American military

alert along the coast of Asia and by expenditures which even now total well over a billion dollars annually in aid to nations in that region. This effort, this truce, holds an uncertain lid on three highly volatile situations. It conceals the pressures in Vietnam and Korea—the inner pressures—for unity. It conceals the unsettled status of Formosa, the unfinished business of World War II, and the civil war in China. Until these realities are faced, until they begin to yield to rational solution, it is misleading and dangerously irresponsible to talk of peace in the Far East.

I shall be going into these three pressure points of danger—Europe, the Middle East and the Far East—in detail during the next few days. Let me conclude today by emphasizing that we cannot know with certainty whether any policies pursued by this Nation will succeed in strengthening the uncertain grip of humanity on civilized existence. What we can know, with almost certain assurance, is that unless this grip is made stronger, unless the danger of war, war by drift or by the design of madness, is reduced—in a day, a week, a year or five—this civilized existence will slip from the fingers of mankind.

In these circumstances, we cannot take refuge in the smug assumption that we are doing all that can be done to preserve peace. We cannot content ourselves with pointing a finger of scorn at others, however much it may relieve our feelings. Regardless of what others may do, we must search for a way to transform this blind lull of mutual terror into a more durable peace. That is a responsibility which we owe to the people we represent; it is a responsibility we owe to mankind. At this moment in time it is a responsibility which we owe to life itself.

NORWEGIAN INDEPENDENCE DAY

Mr. THYE. Mr. President, Saturday is "Syttende Mai" or the independence day of the Norwegian people. The day will mark the anniversary of the signing of Norway's Constitution.

It was on the 17th of May in 1814, 144 years ago tomorrow that a group of Norwegian patriots met near Oslo, to write the constitution which, to this day, has preserved the democratic principles of Norway.

Norway's Constitution is similar to our own constitution. Both these historic documents are full evidence of the wisdom and foresight of our forefathers. The Constitution of Norway has carried well through almost a century and a half of crisis. These have been years of economic struggle, wars, and even enemy occupation.

The very geography of Norway is a clue to the simple and straight character of her people. They are rugged and independent. They are able to withstand the stresses of a demanding environment.

In the beginning of World War II, Norway, for a time, stood steadfast and alone against overwhelming Nazi forces. Finally, the brave people were overrun by sheer force of numbers and that country remained occupied during the remainder of the war.

Against the threat of communism, Norway has also stood strong and steadfast. She has refused to be intimidated. As a member of the North Atlantic Treaty Organization Norway has not faltered. She has not given way to Soviet threats against any country which permits the stationing of American nuclear weapons within its boundaries.

I am proud to pay tribute today to Norway.

I am especially proud of my own Norwegian ancestry. With gratitude and humble respect to my Norwegian parents, with admiration and appreciation to the land of the midnight sun—I salute Norway on its Independence Day—The Syttende Mai.

ADJOURNMENT TO MONDAY

Mr. MANSFIELD. Mr. President, in accordance with the previous order, I move that the Senate stand adjourned until 12 o'clock noon on Monday next.

The motion was agreed to; and (at 5 o'clock and 39 minutes p. m.), the Senate adjourned, the adjournment being, under the order previously entered, until Monday, May 19, 1958, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate, May 15, 1958:

The following-named persons to be members of the National Science Board, National Science Foundation, for terms expiring May 10, 1964:

Detlev W. Bronk, of Pennsylvania. (Reappointment.)

T. Keith Glennan, of Ohio. (Reappointment.)

Robert F. Loeb, of New York. (Reappointment.)

Lee A. DuBridge, of California, vice Andrey A. Potter, term expired.

Kevin McCann, of Ohio, vice Sophie Bledsoe Aberle, term expired.

Jane A. Russell, of Georgia, vice Gerty T. Cori, deceased.

Paul B. Sears, of Connecticut, vice Charles Dollard, term expired.

Ernest H. Volwiler, of Illinois, vice Robert Percy Barnes, term expired.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 15, 1958:

UNITED STATES DISTRICT JUDGE

Albert C. Wollenberg, of California, to be United States district judge, northern district of California.

FEDERAL COMMUNICATIONS COMMISSION

Robert T. Bartley, of Texas, to be a member of the Federal Communications Commission for a term of 7 years from July 1, 1958.

John S. Cross, of Arkansas, to be a member of the Federal Communications Commission for the unexpired term of 7 years from July 1, 1955.

FARM CREDIT ADMINISTRATION

Marvin J. Briggs, of Indiana, to be a member of the Federal Farm Credit Board, Farm Credit Administration, for a term expiring March 31, 1964.

Frank Stubbs, of Texas, to be a member of the Federal Farm Credit Board, Farm Credit Administration, for a term expiring March 31, 1964.

FEDERAL MARITIME BOARD

Thomas Edward Stakem, Jr., of Virginia, to be a member of the Federal Maritime Board for a term of 4 years expiring June 30, 1962.

HOUSE OF REPRESENTATIVES

THURSDAY, MAY 15, 1958

The House met at 12 o'clock noon.

The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

Luke 8: 50: *Fear not, only believe.*

Eternal God, our Father, in this brief moment of prayer, wilt Thou answer our holiest desires with Thy divine inspiration.

We beseech Thee to speak unto us words of comfort and cheer for Thou knowest that our struggles with doubt and denial are, at times, so very deep and desperate.

Renew within us the faith which will make us courageous and faithful in all our duties and responsibilities.

Inspire us with the will to believe and, however dark and dim the future may be, help us always to keep our minds and hearts on the side of faith.

In Christ's name we pray. Amen.

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. McGown, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House is requested:

S. 3500. An act to require the full and fair disclosure of certain information in connection with the distribution of new automobiles in commerce, and for other purposes; and

S. 3502. An act to amend the Federal Airport Act in order to extend the time for making grants under the provisions of such act, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 6908. An act to authorize modification and extension of the program of grants-in-aid to the Republic of the Philippines for the hospitalization of certain veterans, to restore eligibility for hospital and medical care to certain veterans of the Armed Forces of the United States residing in the Philippines, and for other purposes.

The message also announced that the Vice President has appointed Mr. JOHNSTON of South Carolina and Mr. CARLSON members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of the Archivist of the United States numbered 58–13.

REPORT ON APPROPRIATIONS BILL FOR DEPARTMENT OF COMMERCE AND RELATED AGENCIES, 1959

Mr. PRESTON. Mr. Speaker, by direction of the Committee on Appropriations, I ask unanimous consent that the committee may have until midnight Friday to file a report on the bill making appropriations for the Department of Commerce and related agencies for the fiscal year 1959.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

(Mr. BOW reserved all points of order on the bill.)

SUBCOMMITTEE OF SELECT COMMITTEE ON SMALL BUSINESS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that a subcommittee of the Select Committee on Small Business may sit during general debate this afternoon.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

SELECT COMMITTEE ON SMALL BUSINESS

Mr. PATMAN. Mr. Speaker, I ask unanimous consent that the full committee of the Select Committee on Small Business of the House may sit during general debate tomorrow and Monday.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

UNITED STATES FOREIGN POLICY

Mr. ROOSEVELT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. ROOSEVELT. Mr. Speaker, on yesterday I obtained permission to insert my remarks immediately following the resolution adopted unanimously by the House, commending the Vice President for his courageous and dignified conduct during his South American visit. However, lest my remarks be misinterpreted as a criticism of the resolution, which I may say I wholeheartedly supported, I decided to postpone for 24 hours the following further statement which I believe honesty calls for.

The indignities suffered by Vice President and Mrs. Nixon should in no way be construed as having been inflicted upon them as individuals. It has been well established that enmity toward the United States and the American people throughout Central and South America is deep-seated. The fact that the Communists have exploited it by the use of typical tactics should not blind us to the all-important truth.

We are in disfavor because we have failed to have a realistic foreign policy that goes to the heart of the trouble which peoples are meeting in less fortunate countries. Adlai Stevenson once remarked that if communism were wholly destroyed in the world and there were no Communists remaining anywhere, the problem of the ill-housed, ill-fed, ill-clothed, and illiteracy would still be with us.

Vice President NIXON'S bravery and dignity should shock the President and the Secretary of State into a realization that the threat of troops is no answer to the fully disclosed failure of our present leadership in foreign affairs. The encirclement of the American people by those who hate us across the Atlantic, across the Pacific, and now to the south of us, has hoisted the danger signal to every American. Let us act before it is too late to change our foreign policy and bring back to it some of the spirit and the insight of the good neighbor policy of some two decades ago.

ARMED FORCES DISCHARGES

Mr. DOYLE. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. DOYLE. Mr. Speaker, I thank you for allowing me this necessarily brief time to informally report to the Members of this great legislative body something about the present status of H. R. 8772, the bill which this House enacted several months ago by the overwhelming vote of 226 to 8. You will no doubt remember it dealt with the important subject of less than honorable discharges from our Military Establishment. About three dozen Members of this House filed the same or similar bills dealing with the same subject. Thus, they not only proved their interest but they demonstrated their vital concern that something must be done by our military department to constructively change their long existing policy which the House apparently believed, when it passed H. R. 8772, was basically erroneous and unsound.

Mr. Speaker, I wish to again remind the House that H. R. 8772 is not mandatory upon any of the review boards at the Pentagon to change a dot or a comma, or anything else as to an existing military record. Neither is it mandatory or compelling upon any review board to issue the type of discharge recommended in H. R. 8772: to wit, general discharge—limited, to any applicant for consideration before such board unless it is proven by such applicant that he has lived an exemplary life in civilian life, for at least 3 years, "to the satisfaction of the board." In other words, Mr. Speaker, unless and until an applicant furnishes evidence in support of his claim "to the satisfaction of the board" that he qualifies under the several other identified and required achievements in civilian life, to the entire "satisfaction of the board," as the sole judge and authority in the premises, such review board is not required to issue anything.

But may I again state, if the applicant does prove to the satisfaction of the board that he meets the strict requirements specified in the bill H. R. 8772, then it is provided that the board shall issue such applicant the type of discharge provided in the bill. The review board remains the sole judge, the exclusive authority in the premises at all times as to whether or not such board shall do anything, until or unless the applicant does prove to the board that he meets each and every condition required under H. R. 8772 to be favorably considered by the board. So it is up to the applicant to make the proof by documents and otherwise adequate and sufficient in the sole judgment of the board. The bill says "to the satisfaction of the board." Thus the burden of proof is on the applicant at all times. If he meets that burden, he is then entitled to the consideration the bill provides. But I repeat, until he meets that burden "to the satisfaction of the board" he is not entitled to receive the general discharge, limited as suggested in H. R. 8772.

When H. R. 8772 was approved by this House, as aforesaid, several months ago, it went to the other body to a corresponding committee to our Armed Services Committee in this House.

A further reason I now report is that almost daily Members of this House either inquire of me or other members of our Subcommittee of Armed Services, who had public hearings on the bill and who reported the bill, the status of the bill. Manifestly, therefore, Mr. Speaker, because it has taken so long for our Military Establishment to cooperatively send in a report on the same bill which they opposed in public hearings; to wit, 2½ months, we Armed Services Subcommittee members naturally feel that we owe this information to the House membership.

From the number of inquiries made to us since the bill passed the House, it is estimated that House Members must have literally dozens of cases in their own districts in which they feel their interest is very meritorious toward constituents in their Congressional Districts.

I respectfully submit that 2½ months is entirely and unnecessarily too long for our military department to take to write a report on a bill which they have already opposed before the House Armed Services Subcommittee before it was approved by the House itself.

I have not been informed of any justification on the part of the Defense Department to such protracted delay in sending to the other body's Armed Services Committee's distinguished chairman the report he asked for on or about February 10, 1958. Of course, that committee could not determine its procedure until it had the Defense Department's report in hand. I now have in my possession a copy of that report furnished me by the distinguished chairman of the other body's Armed Services Committee. Answering the question of many Members of this House as to what the present attitude of the military department is about H. R. 8772, I respectfully inform you that their attitude continues to be one of strenuous opposition

thereto; and for the same reasons they opposed the same proposal before the House Armed Services Subcommittee at the public hearings on the subject.

Furthermore, I regret to have to inform the House that the report from our military did not come forward at the end of about 2½ months until I had personally called the Office of the Secretary and asked the very pertinent question, Why the unnecessary and untoward delay? However, I am pleased to say that subsequent to my call it, within the week, traveled from the Pentagon to the Budget Department, which reported within about 2 weeks that it had no objection to the bill being submitted to Congress. Having been advised by so many Members of this House of their receipt since the bill passed the House of many requests for information from their Congressional Districts, I make this extemporaneous statement at this time so as to enable the House Members to more accurately answer their mail inquiries as to why and where H. R. 8772 presently is.

And finally, Mr. Speaker, I, of course, cannot appropriately make any statement as to what may or may not occur in the other body concerning H. R. 8772.

BOEING 707 JET TRANSPORTS FOR PRESIDENT EISENHOWER AND GOVERNMENT OFFICIALS

Mr. PELLY. Mr. Speaker, I ask unanimous consent to address the House for 1 minute, and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

Mr. PELLY. Mr. Speaker, the Members of the House will have read in the morning paper that President Eisenhower yesterday approved the purchase of three high-speed jet transport Boeing 707's for use of himself and top Government officials on long flights. Naturally, this news is gratifying to me, as it will be to my constituents, because people in the Seattle area take pride in the achievements of the Boeing Airplane Co.

The Boeing 707 is the first jet transport and the newest member of the Boeing family and is the counterpart of the KC–135 which, by the way, was built to give the United States a plane to compete with the British-made Comet.

The Boeing 707 prototype has flown more than 900 hours of intensive flight tests—more hours, I believe, than any similar test in airplane history.

In the Boeing 707, it will only take 40 hours to fly around the world—taking only 5 stops to refuel. Vice President and Mrs. Nixon could have flown from Caracas to Washington, D. C., this morning in a 707 in 4½ hours. To fly from New York to Paris will take only 6 hours; Seattle to New York will take only slightly over 4 hours. A 707 flew from Seattle to Washington, D. C., at an average speed of 592 miles per hour; and last year a record of 3 hours, 48 minutes, with an average speed of 612 miles per hour was established by a 707 for a trip of 2,350 miles from Seattle to Friendship Airport, east of Baltimore.

Since August 30, 1952, when Boeing first announced its program of building a privately financed jet transport to compete with the British, until October 28, 1957—when the first Boeing 707 rolled off the production line—there has been a chronology typical of the highest standards of American industrial engineering. For the vision, courage, and remarkable production record I salute the Boeing company today, including President William Allen and the Boeing organization and workers who have established that record.

Congratulations are very much in order because again American free enterprise has demonstrated its supremacy in an era of Government subsidy and control.

CHESTER MERROW: AN ABLE AND CONSCIENTIOUS REPRESENTATIVE

Mr. BASS of New Hampshire. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New Hampshire?

There was no objection.

Mr. BASS of New Hampshire. Mr. Speaker, I would like to congratulate my colleague, CHESTER E. MERROW, of New Hampshire's First Congressional District, who has recently completed a tour of the United States with Congressman CARNAHAN of Missouri. Traveling 20,000 miles through 27 States, Mr. MERROW discussed President Eisenhower's proposed mutual-security program from 88 platforms, in 33 television appearances, 31 radio shows, and in 29 press conferences. This unselfish interest in one of the most important programs directly affecting our national security shows Mr. MERROW's deep and patriotic concern for the welfare and security of our country.

A former teacher, college dean, and member of the United States delegation to the U. N., Congressman MERROW is now a senior member of House Foreign Affairs Committee. He has earned for himself the high regard and respect of his colleagues, and the reputation as a hard-working legislator. I also point out that he serves the people in his own District in an able and conscientious manner. Whenever his schedule permits, he is in his district keeping in close touch with the people he represents and their problems.

Any of MERROW's detractors must ignore his fine record as a conscientious representative of the people in his District, and an influential and able exponent of foreign-policy issues.

LEGISLATIVE PROGRAM FOR NEXT WEEK

Mr. MARTIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. MARTIN. Mr. Speaker, I ask for this time so that I may ascertain if I may from the distinguished majority leader the program for next week.

Mr. McCORMACK. On Monday the Consent Calendar and one suspension, H. R. 6239, a bill relating to crimes and offenses, obscene and crime-inciting matter.

Unanimous consent was obtained yesterday that if desired the Speaker may recognize the chairman of the Committee on the District of Columbia, or a designated Member, to call up the bill H. R. 12356, relocation of the Theodore Roosevelt Bridge; H. R. 12377; authorization of the District of Columbia public works bill; and S. 728, acquisition of additional property in the Capitol Grounds on Monday's program.

With the gentleman's agreement, any record votes on Monday and Tuesday will go over until Wednesday, as there is a primary on Tuesday.

Mr. MARTIN. That is agreeable.

Mr. McCORMACK. On Tuesday there will be the Commerce Department appropriation bill for 1959.

That will continue until completion, of course.

Wednesday, Thursday, Friday, and Saturday will be devoted to the consideration of the bill H. R. 7999 providing statehood for Alaska.

This program is announced with the usual reservation that conference reports may be called up at any time.

Any further program will be announced later.

Mr. MARTIN. The gentleman thinks the Alaska bill will take at least 4 days?

Mr. McCORMACK. It would not surprise me a bit if it did. I hope it passes, but I expect it will take a considerable period of time.

SIXTEENTH ANNIVERSARY OF THE WACS

Mrs. ROGERS of Massachusetts. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentlewoman from Massachusetts?

There was no objection.

Mrs. ROGERS of Massachusetts. Mr. Speaker, on yesterday at Fort Myer I was privileged to cut the birthday cake honoring the 16th birthday of the establishment of the Women's Army Corps, popularly called the WAC's. I was tremendously impressed with them, and tremendously impressed also with the words of appreciation and commendation by the Army officers who served with many of them for the entire 16 years.

The WACs deserve our deep appreciation for what they have done and what they are doing today in national defense. Many of them fill very important and secret positions in classified work in our national defense.

STATE, JUSTICE, JUDICIARY, AND RELATED AGENCIES APPROPRIATION BILL, 1959

Mr. ROONEY. Mr. Speaker, I move that the House resolve itself into the

Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 12428) making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1959, and for other purposes.

Pending that motion, Mr. Speaker, I ask unanimous consent that general debate on the bill be limited to 1 hour, the time to be equally divided between the gentleman from Ohio [Mr. Bow] and myself.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 12428 with Mr. THORNBERRY in the chair.

The Clerk read the title of the bill.

By unanimous consent the first reading of the bill was dispensed with.

The CHAIRMAN. Under the consent agreement on general debate the gentleman from New York [Mr. ROONEY] will be recognized for 30 minutes and the gentleman from Ohio [Mr. Bow] for 30 minutes.

The gentleman from New York [Mr. ROONEY] is recognized.

Mr. ROONEY. Mr. Chairman, I yield myself such time as I may require.

Mr. Chairman, the pending bill which provides appropriations for the Departments of State and Justice, the Federal Judiciary, the USIA, and other related agencies, for the coming 1959 fiscal year, represents the culmination of a considerable period of time and work spent in delving into the details of the budgets for these agencies on the part of all the committee members. The hearings in this regard commenced last January 8.

At the outset, I should like to thank each of the members of the subcommittee for their kind cooperation, their patience, and their painstaking work in developing the bill now before this body for approval. I refer to the distinguished gentleman from Georgia [Mr. PRESTON], the distinguished gentleman from Florida [Mr. SIKES], the distinguished gentleman from Washington [Mr. MAGNUSON], the distinguished ranking minority member, the gentleman from New York [Mr. COUDERT], the distinguished gentleman from Ohio [Mr. Bow], and the distinguished gentleman from Ohio [Mr. CLEVENGER]

With regard to the last-mentioned member of this subcommittee, the Honorable CLIFF CLEVENGER, I regretfully point out that he has made the decision not to stand for re-election after his many, many years of service in this House. I have had the pleasure of serving on this subcommittee with the distinguished gentleman from Ohio, Mr. CLIFF CLEVENGER, for more than a decade, and during all that time and all the hours spent in committee, although my political views on a great many subjects have been directly contrary to his, we have never had an unkind word toward one another. Wherever possible we have cooperated on every single occasion. During all these years I have come to love and respect CLIFF CLEVENGER, and his decision to retire at the end of this 85th Congress means a great loss to this House of Representatives, the Congress of the United States, the people of the State of Ohio, and the people of the Congressional District in that State whom the distinguished gentleman has represented so ably for so many years. I might also observe at this point that perhaps because of his health over the past year or so the distinguished gentleman from Ohio has made a wise decision. A few months ago, when he announced that he would not stand for re-election in his District, he was not feeling so very well, and now, day by day and week by week, I am glad to see strength coming back to him, and I am glad to see that he is more relaxed than ever. I know that his health is better. And, I know that I speak the sentiments of every Member of this House when I wish CLIFF CLEVENGER and his dear wife many, many years of good health and much happiness.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from New York.

Mr. COUDERT. Mr. Chairman, I would like to associate myself with the remarks made by the distinguished gentleman from New York concerning our beloved colleague the gentleman from Ohio, CLIFF CLEVENGER. While I have not had the good fortune to serve on this committee with him as long as my colleague from New York, I have grown to know him, to love, and to value him. He has rendered great service to his country during his period here. He has been a joy to his colleagues, a delight to get along with, and a valuable contributor to the work of this body. He will be greatly missed. I hope that his wisdom will be available for a long time to come, to help steer the American people along the right path in troubled times.

Mr. ROONEY. I thank the distinguished gentleman.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the distinguished gentleman from Ohio.

Mr. BOW. Mr. Chairman, I join our distinguished chairman of this subcommittee, the gentleman from New York [Mr. ROONEY], and the gentleman from New York [Mr. COUDERT], in their tribute to my colleague the gentleman from Ohio, CLIFF CLEVENGER. It has been my great honor and privilege to serve on this subcommittee with the gentleman from Ohio for some years and to observe his fine work when he was chairman of this committee. The gentleman from Ohio, CLIFF CLEVENGER, has been of great value to me in his wise advice, his wisdom in trying to do what is right in all instances, on this and other bills. Had we followed the advice of the gentleman from Ohio, CLIFF CLEVENGER, throughout the years, we would not have the staggering debt that we have today; perhaps the economy of the country would be better off. I am delighted to join my colleagues in this tribute to the distinguished gentleman from Ohio and join them in wishing for him the very best in the years to come. We hope we may continue to have his sound advice in the operations of this committee and in other matters coming before the Congress.

Mr. ROONEY. Mr. Chairman, I yield to the distinguished gentleman from Ohio [Mr. BROWN].

Mr. BROWN of Ohio. Mr. Chairman, I wish to join those who have paid tribute to my good friend and colleague in the Ohio delegation, CLIFF CLEVENGER. We came to Congress together nearly 20 years ago. I say advisedly, that in my opinion there has never been in the Congress of the United States a more honest, a more courageous, a more sincere or a more able legislator.

CLIFF CLEVENGER, throughout his years of service here, has saved the American people, not millions, but into the billions of dollars by his courage, ability, and wisdom. He has never been willing to do other than that which he believed to be right.

When he leaves public service at the end of this term, voluntarily, because he could have been and would have been reelected had he decided to stand for reelection, he will have earned the gratitude of every thoughtful American for his contributions to the national welfare have been outstanding. His wisdom has been good and judgment sound throughout the years. All of us and especially those of us who have served in the same Ohio delegation with him, will miss him very, very much.

Mr. Chairman, we wish him Godspeed, and good health and happiness in the years ahead.

Mr. ROONEY. Mr. Chairman, I yield to the distinguished Minority Leader, our former Speaker, the gentleman from Massachusetts [Mr. MARTIN].

Mr. MARTIN. Mr. Chairman, I join in this deserved tribute to our good friend and colleague, CLIFF CLEVENGER. He has been here 20 years, and during that period of time has won the respect and the admiration of us all, Democrats and Republicans alike. He has been a man of pronounced convictions; he has been a man of sincere beliefs. He believes in economy and he had the courage to stand by his beliefs no matter how popular or unpopular the cause. We need men of convictions and honest beliefs like CLIFF CLEVENGER in public life. His departure will be a great loss to the House and the country.

Mr. Chairman, CLIFF has been a great American. He loves his country and he wants it to survive with ever increasing strength. He has worked hard to leave it better than he found it, make an honest contribution and leave it stronger than when he entered public life.

When CLIFF goes back to his Ohio home to enjoy deserved rest, I know he will carry with him the realization that he leaves here many warm friends who love him; many friends who hope for him a very happy and contented future life.

Mr. ROONEY. Mr. Chairman, I yield to my colleague, the distinguished gentleman from Georgia [Mr. PRESTON].

Mr. PRESTON. Mr. Chairman, it has been my good fortune to serve on two subcommittees of the Committee on Appropriations with the gentleman from Ohio [Mr. CLEVENGER]. I have served for 10 years with him on the Subcommittee for the Departments of State and Justice and the Judiciary. I feel that I know him as a man. The one outstanding characteristic of the gentleman from Ohio is that he never alters his personality, his disposition, or his convictions from day to day to meet any convenient situation. What he is today, he will be tomorrow and next year.

He has been consistent at all times in his views on government, what the policies of our country should be. He has been sound on all occasions. One thing that can be said, I think, with great emphasis, and that is that he has never wavered or compromised his position.

One thing that has impressed me about the gentleman from Ohio is that at all times during these 10 years he has shown a great disposition to cooperate with the leadership of the committee and by virtue of that fact received cooperation when he served as chairman. So he has made a great contribution to Congress. He has been a stalwart on this subcommittee. I do not care who takes his chair during the coming year, we are going to miss the gentleman from Ohio every day and every week of our hearings. I have developed a strong affection for this man, and I wish for him the best of everything during his years of retirement.

Mr. ROONEY. Mr. Chairman, in this connection I should make this observation, that in all the period of time extending back over a decade I cannot recall a session of this subcommittee at which the distinguished gentleman from Ohio was not present.

Mr. Chairman, I yield to the distinguished gentleman from Washington [Mr. MAGNUSON].

Mr. MAGNUSON. Mr. Chairman, I wish to associate myself with all of the nice things which have been said about our colleague, my fellow member on this subcommittee, the gentleman from Ohio [Mr. CLEVENGER]. Certainly it has been a pleasure to serve with him on the subcommittee. As our chairman has pointed out, he has been a faithful member, he has been a wise member, and I might add he has been a courageous member of that subcommittee. CLIFF CLEVENGER always stands by his principles, and he has been a real contributor to our deliberations.

One of the things I have enjoyed most about CLIFF is a rather captivating wit, which has done much to lighten the drudgery, and it is drudgery sometimes, of the hearings of the Appropriation Committee and the subcommittees on which we serve.

I want him to know that as he leaves the Congress by choice I shall always remember him, and that I hold him in genuine affection. The country and the Congress will be the poorer for his departure.

PRIORITY FOR BUSINESSES DISPLACED BY URBAN RENEWAL

Mr. PRESTON. Mr. Chairman, I ask unanimous consent that the gentleman from Illinois [Mr. O'HARA] may extend his remarks at this point in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. O'HARA of Illinois. Mr. Chairman, I am taking this opportunity of calling to the attention of the House a bill that I have introduced today to provide that business concerns displaced from urban-renewal areas shall be granted a priority of opportunity to purchase or lease commercial or industrial facilities in new business districts replacing the old. This is a companion bill to S. 3813, authored by the senior Senator from Illinois, with whom I am happy to have the honor of association.

A word or two of explanation, I think, will be helpful. During the Easter recess, a representative group of businessmen of Hyde Park, which is the home District of the senior Senator of Illinois, and which I have the honor to represent in the House, met with Senator DOUGLAS and me for the purpose of bringing to our attention the situation of the businessmen who had been displaced by the urban-renewal project in Hyde Park from the sites of businesses that had been established for many years.

Naturally, they had looked forward to being relocated in the new business district when mapped out by the redeveloper. In this way they could continue to serve the community where they had many customers and to salvage something on their large investment in goodwill. The redeveloper, however, is not obligated to take into consideration the history in the neighborhood of the applicants. What the bill jointly introduced by Senator DOUGLAS and me does is to grant to those displaced by the project a priority of opportunity to purchase commercial or industrial facilities in the new business and industrial district when plotted. I earnestly recommend the bill and the principle of equity embodied in it to the serious attention of my colleagues.

I might add that the Hyde Park renewal project is a pilot project that is being closely watched by the entire Nation. Our experience so far has shown the necessity of such legislation as is being suggested. It is, therefore, of great interest to my colleagues in other communities where in the near future there will be urban-renewal projects patterned on the Hyde Park pilot.

Mr. ROONEY. Mr. Chairman, and members of the Committee of the Whole, the pending bill carries appropriations recommended by the subcommittee and the full Committee on Appropriations in the amount of $570,722,613. This recommended total amount represents a reduction in comparison with the 1958 or current year appropriations of $10,675,743 and a reduction of $18,492,398 when compared with the total requests presented to the committee.

The budget estimates for the Department of State total $199,990,151. The amounts for that Department recommended in the bill total $192,859,353, a reduction of $7,130,798 in the total estimates. While the amount recommended is $10,417,953 below the total amount appropriated in the current fiscal year, I should point out that included in the current fiscal year total is an appropriation of $9,690,563 contained in the item "Contributions to international organization" to meet the United States share of an assessment by the United Nations to maintain the so-called United Nations Emergency Force in the Middle East, for which no funds have been requested in this bill. There are other items which are set forth in the committee report for which appropriations were made for fiscal year 1958 and for which no requests were made in the present bill.

With regard to the item for salaries and expenses of the Department of State, while it would appear that the committee has recommended an increase of but $1,536,500 over the amount appropriated for salaries and expenses in the current fiscal year, actually, the increase allowed the Department of State in the coming year is approximately $2,175,000, when certain nonrecurring items are taken into consideration. This increase is recommended to provide for such things as increased consular workload, implementation of the Immigration and Nationality Act amendments, and increased costs. The committee has specifically included in this bill the funds requested for opening 12 new consular and reporting posts. Last year the committee allowed funds for the opening of 10 new consular and reporting posts which were recommended to the committee at the time as being very urgent and necessary—and immediately necessary. When the Department appeared before the committee this year, it was discovered that they had not opened them all and that in the current budget presented to the committee increases were requested to open some of the same posts for which the funds had been specifically provided last year.

The testimony in the printed hearings of the subcommittee with regard to the so-called language school at Nice, France, was highly interesting. The committee feels that no one can justify the maintenance of an establishment such as the Villa Warden along the French Riviera where you have 24 foreign service people allegedly studying French with 18 people or employees in attendance upon them. This property should have been sold years ago. They have a very fine French chef, I understand, two gardeners and other luxuries at the villa. When the committee made inquiry into this subject, it found that the Berlitz School of Languages in Paris would charge only 59 cents an hour to teach these people French, in a class of only six pupils. Of course, the committee is not against teaching foreign languages to foreign service officers and personnel. We think they should have foreign languages to serve abroad. We think there is a great deficiency with regard to their knowledge of foreign languages. But, no one can justify such amounts as the sums of money expended on the activity there in this lovely villa at Nice, France, along the beautiful Riviera where, they testified, the view was

beautiful—or in Mexico City where they propose to teach Spanish to 48 people during the course of a year at a cost to the taxpayers of $160,000.

Let me read you the testimony as to the Villa Warden, beginning at page 372 of the printed hearings:

Mr. ROONEY. Tell us about this Warden estate which you have along the Riviera at Nice, France.

Mr. HOSKINS. That is a school for teaching French which was established at the Villa Warden, which was purchased a number of years ago by the Government. It was too expensive, apparently, to be run as a residence for the consul. We have taken it over and we have improved it and have put in our people and are using it as a school.

Mr. ROONEY. At how much cost, and what are the details?

Mr. HOSKINS. Let us give the exact figures, sir.

Mr. FOSTER. Mr. Chairman, we have for 1959 the Nice teaching costs, and trainee costs.

Mr. ROONEY. What year?

Mr. FOSTER. 1959.

Mr. ROONEY. I am talking about how much you spent ab initio, and not 1959. We are not to 1959, as yet.

Mr. FOSTER. The repairs to the building, sir, and getting the building in shape were borne by FBO as an FBO expense.

Mr. ROONEY. How much?

Mr. FOSTER. I do not know what the details are, but I estimate approximately $30,000 to get the building in shape.

The building operating costs per year are $27,103, and that is borne by FBO.

Mr. ROONEY. Tell us about this. Have either one of you ever been there?

Mr. HOSKINS. Yes, sir; I was there this last spring.

Mr. ROONEY. Tell us about your visit. Is it a hardship post?

Mr. HOSKINS. Well, it is a pretty tough school; yes. One of the comments that one of the officers made to me—we have about 24 officers there right now studying French, and this is the fourth class——

Mr. ROONEY. Do they bring their wives with them?

Mr. HOSKINS. They are allowed to, but have not; no, sir.

Their comment was that the work is so hard they did not get to see much of the Riviera, except possibly on Sundays. They eat together, and 18 of them live at the villa. The villa is fully used—the rooms both for classes and for housing. They learn a very considerable amount of French, and to the extent that they now use that space I believe it is much more valuable to the Government than it was before, and we are actually getting a group of people that really speak French. Six officers were sent down there from Paris for 3 months of training.

Mr. ROONEY. From Paris? Where they couldn't help but learn some French?

Mr. HOSKINS. Yes, sir; because they needed French in their work.

Mr. ROONEY. Mirabile dictu. Go ahead.

Mr. HOSKINS. The school there, I think, is doing a very useful job of improving the quality of the French of the people, many of whom do not speak French too well when they go to other posts.

We also had, when I was there, several students, 1 from Italy, 1 from England, a girl who was, for instance, going there for 3 months of French because she did not know the language. She was scheduled to come back on home leave, but she knew she was to be assigned to Marseilles, where she will benefit as a result of the French which she has gotten at Nice.

To answer your question more specifically, the basis on which this school is operated is sound, just as are the schools in Germany and Mexico City. We are making a definite effort to improve the language capabilities of the various representatives of the Department, many of whom, unfortunately, do not speak the language of the country to which they are assigned.

PERSONNEL STAFF AT NICE, FRANCE

Mr. ROONEY. How many employees do you have at this villa in Nice studying French?

Mr. FOSTER. We have a total of 18 individuals working at Nice.

Of those, 3 Americans and 1 local are employees. The remainder are on a contract basis. Included among the contract people are 10 language tutors, 2 secretary-receptionists, 1 telephone operator, and 1 general handyman.

Mr. ROONEY. Why would you need a telephone operator there?

Mr. HOSKINS. Well, sir, when I was there, they were operating about 12 hours a day, and the people lived there. They are about 1½ miles from the consulate. So they do have an operator, who acts as a combination secretary and telephone operator.

Mr. ROONEY. At this villa at Nice along the Riviera you have 24 people taking a course in French, most of whom are from Paris?

Mr. HOSKINS. Yes, sir.

Mr. ROONEY. And for these 24 people you have a telephone operator?

Mr. HOSKINS. Yes, sir.

Mr. ROONEY. Incredible.

Anything else?

Mr. HOSKINS. Well, I think all I can say is that the job is being done. In our estimates we do not have all the information we would like to have.

Mr. ROONEY. You mean the telephone is being answered?

Mr. HOSKINS. Yes.

Mr ROONEY. From whom would the calls come, and for whom? What is this all about?

Mr. HOSKINS. I do not know that I can tell you in detail on that, sir.

Mr. ROONEY. Is this a full-time telephone operator at the Warden villa in Nice?

Mr. HOSKINS. Well, she substitutes as a clerk-stenographer as well as answering the telephone. She does not sit there and do nothing all day, if there are no telephone calls.

Mr. ROONEY. She does not?

Mr. HOSKINS. I do not think so; at least she was not when I was there. They are doubling in brass—all those people are.

Mr. ROONEY. I imagine they are skin and bones; I can see that right now. And the view is very nice.

I am trying to find out why you have a telephone operator.

Mr. HOSKINS Well, they felt it was necessary.

Mr. ROONEY. Do you also have a gardener there?

Mr. HOSKINS. Yes, sir; he has been there for years.

Mr. ROONEY. How many gardeners?

Mr. HOSKINS. One.

Mr. ROONEY. Just one? Are you sure you have only one gardener?

Mr. HOSKINS. Sir, I saw him when I was there, and talked to him. He is an ex-Armenian.

Mr. HALL Mr. Chairman, I think the gardener is paid by FBO.

Mr. ROONEY. I understand by whom they are paid, but I am now asking whether they have 1 or 2.

Mr. HALL. I think Dr. Hoskins may not be familiar with the details. I believe there are two gardeners; I am sure there are.

Mr. ROONEY. Yes; there were two when I was there.

Mr. FOSTER. May I point out, sir, that this was a United States Government property before we went into it, and the maintenance of these grounds——

Mr. ROONEY. Mr. Fritz Larkin, I believe, bought it up for nothing for the State Department.

Mr. FOSTER. The FBO has maintained that to some extent during this time.

Mr. HOSKINS. Can I say one more word on this?

Mr. ROONEY. You had better say something, because this may be the end of the Foreign Service Institute rest cure in Nice.

Mr. HOSKINS. I do not think so.

Mr. ROONEY. No?

Go ahead, Professor.

Mr. HOSKINS. I was going to say, I think, that our estimates are based on our studies so far that these people learn there in about 3 months what they could learn in 4 or 5 years in an ordinary institution. In other words, there is a greater return on our money for the time that the people spend on their language training at this place.

COST OF TUTORING SERVICE VERSUS COST OF SCHOOL AT NICE

Mr. ROONEY. Would it not be cheaper for the American taxpayer if you hired a private tutor for each and every one of these people?

Mr. HOSKINS. No, sir; it would not.

Mr. ROONEY. How much would it cost for a private tutor?

Mr. HOSKINS. Well, we use 1 tutor for about 6 people over there. Therefore, I should think that at that rate it would be much more expensive.

Mr. ROONEY. What is the total cost of the operation of this place? You told us a while ago it cost $30,000 to make repairs, and then you got a carryover of $27,103, and you have 18 employees for 24 students. This is what you told us; is it not?

Mr. FOSTER. Yes, sir; that is correct.

Mr. ROONEY. If you figured that out on the basis of cost per student, how much does it cost for each?

Mr. HOSKINS. I believe we have that information, Mr. Chairman. At Nice this year the training cost $2,512.

Mr. ROONEY. The training cost what?

Mr. HOSKINS. According to the figures we have for 1958, the per-student cost is $2,512.

Mr. ROONEY. Per student?

Mr. HOSKINS. Yes, sir.

Mr. ROONEY. And for how many students?

Mr. HOSKINS. There are 24 or 25, as I recall it. It is supposed to be 25. Whether there are 25 there now or not, I do not know.

Mr. ROONEY. To how many students does the $2,512 apply?

Mr. HOSKINS. It would be 100 students.

Mr. ROONEY. It would be four times that amount?

Mr. HOSKINS. Twenty-five? On that basis it would be 100 students per year.

Mr. ROONEY. That is $2,512 per student?

Mr. HOSKINS. $2,512; yes.

Mr. ROONEY. Would you tell us how much a tutor in French costs in Paris?

Mr. HOSKINS. I do not know. Mr. Foster, do you know?

Mr. FOSTER. I am afraid I cannot give you that exact information. We have investigated tutor costs. On a full-time basis it would cost approximately the same as in the United States.

Mr. ROONEY. I did not ask you that. It would be somebody who is utterly ridiculous who would not understand that this is the most expensive operation I have seen in a long time—$2,512 per student for how many weeks?

Mr. FOSTER. May I get that tutor cost for you, sir?

VILLA ON THE RIVIERA

Mr. ROONEY. When we talk about tutoring these people, right at their posts and right on the job, for which they are being paid, as compared with your taking them to the

beautiful Riviera—what would you call it—not a bungalow by any means, would you?

Mr. HOSKINS. No.

Mr. ROONEY. Estate?

Mr. HALL. A villa.

Mr. ROONEY. That is the word—to this villa right along the Riviera, and is there a nice view from there?

Mr. HOSKINS. Yes.

TRANSPORTATION AND PER DIEM EXPENSES OF STUDENTS AT NICE

Mr. ROONEY. Very nice. Uncle Sam's taxpayers have to pay the transportation of these folks down to the villa?

Mr. HOSKINS. Yes.

Mr. ROONEY. How is the feeding of these people accomplished while they are going through this arduous course in French?

Mr. HOSKINS. Most of them being down there on detail get a per diem and part of that per diem they use to pay the cost of meals which they would have to have anywhere.

Mr. ROONEY. They chip in, in other words?

Mr. HOSKINS. Yes. It does not cost the taxpayer anything.

Mr. ROONEY. They have servants?

Mr. HOSKINS. Yes.

Mr. ROONEY. It is sort of a club arrangement, would you say?

Mr. HOSKINS. Yes, something like that. It does not cost the taxpayer anything.

Mr. ROONEY. You say it does not cost the taxpayer anything. Are we not paying these well-paid students a per diem?

Mr. HOSKINS. I meant to run the dining room.

Mr. ROONEY. How much does the taxpayer pay them every day?

Mr. HOSKINS. Their salary and per diem.

Mr. ROONEY. What does their per diem include?

Mr. HOSKINS. It includes everything.

Mr. ROONEY. Including——

Mr. HOSKINS. Per diem is your total. You spend it any way you please. You get so much money, whatever it is. You pay your meals, hotel, or anything with it.

Mr. ROONEY. Fundamentally, it is for lodging and meals, is it not?

Mr. HOSKINS. Basically.

Mr. ROONEY. Uncle Sam's taxpayers have to put up the money for the lodging and meals for these people?

Mr. HOSKINS. Lodging, yes; meals, no, sir; they pay for it.

Mr. ROONEY. Why do they not get a per diem which covers their lodging and meals? You just said basically it was lodging and meals.

Mr. HOSKINS. But they pay back for the portion of the cost for meals.

Mr. ROONEY. After Uncle Sam gets through paying them, they can spend it any way they want. They do not have to belong to the club, do they?

Mr. HOSKINS. They pay it because it is cheaper to stay there. Besides, they speak French at all the meals.

Mr. ROONEY. Very nice. Who would not stay at the club? Why go downtown?

Mr. HOSKINS. They learn more French by staying there.

Mr. ROONEY. How much a day do they get from the taxpayers for payment of their food and lodging?

Mr. FOSTER. Per diem is $12 a day. If they live in the Villa Warden, that amount is reduced by one-third. They are Government-owned quarters.

Mr. ROONEY. So that they then have only $8 left; is that right?

Mr. FOSTER. That is correct, sir.

Mr. ROONEY. They ought to be able to eat pretty well on that in France, do you not think so?

Mr. FOSTER. Frankly, in France——

Mr. ROONEY. You were not there, were you?

Mr. FOSTER. I have been there.

Mr. HOSKINS. He was stationed in Paris before he came over here. Nice and Paris are very expensive, as you know.

FINE CUISINE

Mr. ROONEY. Do they serve nice meals there, Doctor?

Mr. HOSKINS. Very good.

Mr. ROONEY. Do they have a good French pastry cook?

Mr. HOSKINS. Not bad. I even gave them some wine out of my pocket. I thought being in France they should know something about French wine.

Mr. ROONEY. Were you teaching French wine to the cook?

Mr. HOSKINS. No, sir. I was just joking.

Mr. ROONEY. You were teaching this to our Foreign Service officers who had been stationed in Paris and who would not know a thing about wine. Is that the idea?

Mr. HOSKINS. No. They did not spend their money on it down there. I thought it was a pleasant contribution for me to make while I was there, a very small one.

Mr. ROONEY. I am almost prompted to ask you what kind of wine, to see whether or not you know anything about vintages.

Mr. HOSKINS. I think I offered them red wine, as I recall it, of the local country, southern France.

PURPOSE OF SCHOOL AT NICE

Mr. HENDERSON. Mr. Chairman, could I say a word on this school?

Mr. ROONEY. On the what?

Mr. HENDERSON. Could I speak about this school? I have not been able to visit it, but I have talked to a great many who have attended it, and——

Mr. ROONEY. Were they satisfied?

Mr. HENDERSON. Attendance at the school is by no means a picnic, as a person might get an idea from reading this record. The school is a hard-working place. The students are compelled to work 10 or 12 hours a day, 6 days a week. They do not have the time to sit out on the veranda, or in the garden, and to look at the beautiful sea, or to engage in pleasureful pastimes.

Mr. ROONEY. The view is beautiful, though, is it not?

Mr. HENDERSON. It is nice to see, but they are working too hard to be able to consider the beauty of the place.

Mr. ROONEY. They can see it from the windows, can they not? They might see the steamship *Constitution* or the steamship *Independence* coming into view. There is a pretty good view right along there, is there not—to Cannes and Monte Carlo? You can see them from the villa, can you not?

Mr. HOSKINS. You can look out to sea. I do not think you can see the other towns, but they are not far away. You know the area better than I do.

Mr. HENDERSON. I would like to make clear that this is a hard-working place. It is no picnic place. It is no vacation. The work is really very difficult, and these men are graded very carefully on what they do; and I am convinced that what they learn in this school during these 3 months—the course is 3 months long—is worth a great deal to the United States and to the Service.

AVAILABILITY OF HOUSING QUARTERS AT SCHOOL IN NICE FOR STUDENTS' WIVES AND WOMEN STUDENTS

Mr. ROONEY. I do not think the record shows an answer to my question with regard to women at the villa, since it was opened.

Mr. HOSKINS. There are several women Foreign Service officers who have attended it, including this Miss Day from Liverpool that I mentioned. At no extra cost to the taxpayer, we actually did train the wives of three naval officers who were stationed there with the 6th Fleet. That seemed to be a desirable thing to do. We were asked to do it.

I think, frankly, there has been a difference of opinion as to whether wives should be allowed there or not. My own opinion was it was not a place for them to come since the men were busy in the school, and I thought they should not live there. As a result, very few wives did come.

Mr. ROONEY. How many did come?

Mr. HOSKINS. I do not know. I think very few. Do you know, Mr. Foster?

Mr. FOSTER. I do not know exactly the number who have received instruction at the school. Is that the number you referred to? You asked who lived in the Villa Warden. Mr. Chairman, no provision whatever is made for wives at the school.

Mr. ROONEY. That was not my question. Have any wives or women stayed there since the school was opened? The professor said that he had some Foreign Service ladies who stayed there. I am pursuing this a little further. Were there any other ladies? It did appear there were some wives. Go ahead.

Mr. FOSTER. The only case in which a wife under any circumstances would be there would be if her husband had a single room.

Mr. ROONEY. I want to know what has happened up to now. Have any wives stayed there?

Mr. HOSKINS. Not in the villa.

Mr. FOSTER. Not to my knowledge, sir.

Mr. ROONEY. Have any wives accompanied their husbands to Nice—husbands who attend the delightful courses at the villa?

Mr. HOSKINS. Yes. I recall one wife who was there whose husband had been stationed in Beirut, on their way back to this country. He paid extra for her from Beirut to Nice. She stayed in town while he took his 3 months' course. She was allowed to attend classes herself because she was interested in improving her French, too. I do not recall any other.

Mr. HALL. There have been other cases. I know of two officers whose wives were there part of the time. The officers lived downtown in apartments, because there was no place for them in the villa. I am sure there have been other cases, and I think it would be quite unnatural if the officer went to Nice from London or another post in Western Europe for 3 months and did not take his wife at his own expense to Nice, at least for part of the time.

TRANSFER OF FOREIGN SERVICE OFFICER FROM BEIRUT

Mr. ROONEY. Did you say that that gentleman from Beirut was on his way to the United States on home leave?

Mr. HOSKINS. Whether it was home leave or transfer, I think it was probably both, I do not recall definitely. I remember their telling me about the case. I think it was both.

Mr. ROONEY. What was his name?

Mr. HOSKINS. I can get it for you. I do not recall it.

Mr. ROONEY. Do you have it?

Mr. HOSKINS. I do not have it with me. I will get it for you. I have a list of the people who were there when I was at Nice. I have that material on my desk.

(The information requested is as follows:)

"The name of the officer referred to was Mr. Homer C. Kaye."

TUITION COST

Mr. HALL. At one point earlier in the record when we were talking about the cost of the school, there was confusion in the record when you asked about tuition cost. You were given the figure of $2,512. Actually the teaching costs are $882. The $2,512 covers the cost of the salary of the officer during the period of instruction and his per diem and transportation.

Mr. ROONEY. We understand that. The taxpayer pays him while he learns French on the Riviera.

Mr. HALL. I wanted to be sure.

Mr. ROONEY. But it does not include FBO costs does it?

Mr. HALL. No, sir. I wanted to be sure. I think the wrong figure is in the record.

Mr. ROONEY. No. It is not a question of the wrong figure. It is a question of understanding what was meant. We understood what was included.

COST OF FRENCH LANGUAGE COURSE AT BERLITZ SCHOOL IN PARIS

By the way, what is the cost of a course in French at the Berlitz School in Paris these days, Professor?

Mr. HOSKINS. I do not know, sir.

Mr. ROONEY. Did you ever make inquiry as to this?

Mr. HOSKINS. We looked into the problem and decided some time ago that neither was the system they used as desirable or effective as our own technique of teaching, and their costs, since they had to make a profit, was high, so we do our own language teaching.

Mr. ROONEY. Would you please find out for us what, in American dollars, it costs at a Berlitz School in Paris?

Mr. FOSTER. Yes, sir; as nearly comparable to our training as we can find.

Mr. ROONEY. You mean including the salaries of the people, the per diem and this and that? Is that what you are talking about?

Mr. FOSTER. No; the technique of teaching itself.

Mr. ROONEY. I am only interested from the angle of the taxpayer, as to why we went down to this elaborate villa, that should long ago have been sold, I will say to Mr. Henderson, and spent entirely too much of the taxpayers' money to run a scenic spot at Nice.

When you make inquiry with regard to those figures concerning the Berlitz School—and I am sure that you can get them right away; your people in Paris can just make a telephone call and you would have it—I do not think there will be any comparison.

(The information requested is as follows:)

"The Paris Embassy cables that the Berlitz School in Paris quotes 59 cents per student hour of instruction for a class of 6 students.

"Instruction given by commercial language schools is not comparable to the Foreign Service Institute's method of language training. The Institute program at the Nice school utilizes the full day of the student for language training, not merely the instructional hours. The Institute teaching materials and techniques are directed to the Foreign Service officer's use of the language in the transaction of business and goes far beyond the instruction for social and travel use normally provided by commercial courses. The Institute utilizes a number of special audio-mechanical teaching aids not normally available through commercial systems. For these reasons the Department does not consider the commercial costs or methods comparable with the training costs and methods used at the Nice school."

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to my distinguished friend, the gentleman from California [Mr. ROOSEVELT].

Mr. ROOSEVELT. Mr. Chairman, I want to highly commend the gentleman from New York for his statement because I think that the facts in the past have been somewhat twisted as to the gentleman's position regarding the study of foreign languages and the improvement of our Foreign Service by having people in charge who know the language of the country to which they are assigned. I think the gentleman has made it abundantly clear not only that he is very much in favor of such training, but that he has done everything in his power to see that such work has gone forward. I think in view of the fact that I was informed just today by someone from the Department of State that the gentleman from New York was sabotaging foreign language training, it is well to bring to the attention of the House at this time that all the gentleman from New York is doing is trying to see that such language training is properly carried out instead of having such a luxurious program at the expense of the taxpayers of this country. I think the record is clear and I am happy to have had this opportunity to commend the gentleman.

Mr. ROONEY. I thank the distinguished gentleman from California. I should say, Mr. Chairman, that we are not trying to sabotage this program—we are trying to impel some sanity into it.

Mr. Chairman, as I recall, in connection with the subject of teaching foreign languages and the appropriations for the training budget of the Foreign Service Institute, the appropriations since the 2d session of the 83d Republican Congress, and under the chairmanship of the gentleman from New York, have increased from $907,143 that year to $2,007,953 in 1956, to $3,391,329 in 1957, to $4,679,545 in 1958, the current fiscal year. I am sure that everyone here will agree that those figures give no indication that we intend to sabotage the program. All the committee wants of them is to act in a sane and sensible way, rather than the way the Foreign Service Institute is being run now. A thorough housecleaning is indicated.

Mr. ROOSEVELT. May I emphasize also that there is no excuse for the Department of State to say that now they do not have adequate funds to carry on the foreign language program.

Mr. ROONEY. The committee does not in this bill restrict them, or in this report. We point out what has been going on at this delightful villa on the French Riviera. The total departmental salaries and expenses item is $2 million more than they have at the present time.

Mr. ROOSEVELT. So they might be able to train twice the men they have if they use the Berlitz School in Paris.

Mr. ROONEY. I think they could train everybody in Europe at 59 cents an hour, as compared with the cost at that villa down on the Riviera.

Mr. ROOSEVELT. I thank the gentleman.

Mr. ROONEY. Now with regard to the Department of Justice, the total request was in the amount of $230,190,000. The committee has allowed for that Department the sum of $229,410,000 and provided that the full amount requested for additional employees and activities in the Tax Division and the new Civil Rights Division be allowed.

With regard to the Federal Judiciary, the committee was requested for the sum of $41,402,860. We allowed the sum of $40,703,260, which is a comparatively small reduction; in fact, only $699,600.

Lest anybody be curious about the Supreme Court "birdproofing" program, I should like to say to you that the Supreme Court of the United States has withdrawn its request for $33,000 to "birdproof" the Supreme Court Building on the other side of Capitol Plaza, and when we get around to birdproofing by electronic device, it will be done on all buildings here on the Hill at the same time, and the dirty birds will not be chased over here to the Capitol by an electric current on the roof of the Supreme Court Building.

In further connection with the Federal Judiciary, I should point out that we have had to supply an unusual number of additional employees in the Bankruptcy Division. Once again, I regret that I must point out that bankruptcies in the United States are at an alltime high, and in the coming fiscal year it has been predicted that they will go to over 95,000 bankruptcy cases.

With regard to the requests for the United States Information Agency, which total $110,032,000, the committee has allowed the sum of $101,750,000, a reduction of $8,282,000 in the amount of the budget estimates for this Agency.

With regard to funds appropriated to the President, this is the program where singers and ballet dancers are sent abroad at taxpayers' expense, and I think we now have some weight lifters. The committee saw fit to reduce that request by $1,600,000; or a total of $18,492,398 in overall reductions in the pending bill.

Mr. Chairman, I ask unanimous consent at this time to revise and extend my remarks.

The CHAIRMAN. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from New York [Mr. COUDERT] is recognized.

Mr. COUDERT. Mr. Chairman, at the outset I take this opportunity to say how very much I personally have enjoyed working on this committee this year, as before. There are a group of genial, able gentlemen who have drafted this bill. They have worked together, they have considered all the questions involved, they have given their best judgment, and they come up with this answer.

Their work has been greatly facilitated, as in past years, by that able, patient, and agreeable staff assistant, Jay Howe, and his asistant, Bob Morris. Without their assistance the committee could not function as efficiently in coming up with a bill and a report. The committee is fortunate indeed to have them.

As to the merits of this bill, the amount involved is relatively small, but the subject matter of the bill is of vital importance. It covers the State Department, our first line of defense. You will recall the famous words: "Where the diplomats fail, the generals move in." We want the diplomats to succeed.

For my part I would have been inclined to be a little more liberal with the State Department; however, I think we gave them enough on which to operate and do the job for which they were created. I think they can do it.

I think under the leadership of my good neighbor from New York, that great and able statesman, John Foster Dulles, they will continue to do a good

job. I would like to take the opportunity here to express again my own appreciation and respect for the amazing work our Secretary of State has been doing under the critical and difficult conditions in which he has had to operate.

As to Justice Department, we gave Justice about everything it asked for. The Justice Department is important, because it is charged with the enforcement of law, the prevention of crime, and the punishment of crime. For some years it was headed by my New York friend and neighbor, Herbert Brownell. It is now headed by another able, experienced, and competent New Yorker, Mr. Rogers. I have not the slightest doubt that he will continue to carry on the fine record of the Department. I think we have given them adequate funds.

The third important item in the bill is the courts. Nothing need be said to defend the importance of the courts. We do not always agree with their decisions, perhaps, but the courts are a vital part of our lives. In this bill we provide funds for the district courts, the circuit courts of appeals, and the United States Supreme Court, probation officers, and all the personnel that goes with the vast organization of the Federal courts from Maine to California. I think we have taken very good care of them and given them about all that they requested to carry on their jobs.

The fourth agency in the bill is the United States Information Agency, as a practical matter, an adjunct of the State Department, but a necessary agency to carry the American message, to carry American propaganda throughout the world.

The Agency has been a subject of controversy through the years, because men and women may differ as to how the job should be done. We are all agreed, I think, that USIA or something like it is a necessary agency. For my part I believe the personnel, and the management, have worked hard and sincerely; and I am confident that under the new leadership of Ambassador Allen, the USIA will do a better job. As a matter of fact in this bill they get some $2 million more than they have for the current year, although this is not as much as they asked for. I think, however, it is enough for them to carry on and do a good job.

I, personally, would have been inclined to provide a little more for State and a little more for USIA. This bill is a compromise, like all such bills, but we have provided sufficient funds, I am satisfied, for these departments and agencies to do the job they were intended to do.

Mr. Chairman, I yield to the gentleman from Ohio [Mr. Bow].

Mr. BOW. Mr. Chairman, this bill comes to the floor by unanimous agreement, I think, of the subcommittee. I think it is a good bill. There are sufficient funds here to operate the divisions of Government that are included in it.

The gentleman from New York [Mr. ROONEY] has done an outstanding job in the preparation of these hearings, and one can see that he has conducted a searching examination of the witnesses.

I would like to comment just briefly on the language question. I think the entire committee is very much in favor of the teaching of languages to our men wherever they may be. Villa Warden, which the gentleman has referred to, is a beautiful estate on the Riviera. If there is any mistake in having acquired this beautiful estate, it was done in 1946. It cost us about $111,000. It was bought, however, with foreign credits funds. I had the honor of being chairman of a small subcommittee of this committee that went to Europe a few years ago, and we checked on Villa Warden. It was then occupied by our consul there. We found that it was too large a building for a consul, and it was put up for sale. I have been advised that the State Department has attempted to sell it but has not been able to find a purchaser that would pay a fair value for it. Therefore, if we have some students in attendance down at the Villa Warden, it would at least serve a useful purpose. The property would have to be maintained whether anybody was there or not. Gardeners would have to be employed there. We found at that time that we had another villa in Nice that has since been sold, where gardeners were employed. The building was empty, so the employment of the gardeners could not be held against this language school, because they would be there, anyway. Maintenance of the property would be necessary. It is an accessible place down at Nice. So, so long as we have the property, I see no great harm in conducting this school. However, I would still recommend that the school find other quarters if we can make an advantageous sale of the property.

Some 2 years ago a study made by the Department indicated a serious language deficiency among the personnel of the Foreign Service and a great lack of knowledge of foreign languages among the young men and women coming in at the bottom of the Service from our universities. The Department decided that if the Foreign Service was to function as effectively as it should, particularly during this critical international period, energetic steps should be taken to strengthen immediately the language qualifications of our Foreign Service personnel.

Additional emphasis was placed on language study in the Foreign Service Institute at Washington. Young men and women entering the Service were given from 3 to 4 months of intensive language training before going abroad to their first posts. Many of the personnel being transferred from the Department to the foreign field were given similar language training. The number of our officers designated as area specialists was increased. These officers were given training in the more difficult languages and also instruction regarding the areas in which they were specializing.

Experience has demonstrated that generally it is easier to acquire a foreign language if one studies in a country where it is spoken. In order further to facilitate language study among personnel already in the foreign field, the Department decided to open up 3 new language training centers: 1 in Mexico City for Spanish; 1 in Frankfurt for German; and 1 in Nice for French.

The plan called for 15 members of the Foreign Service to attend the school in Mexico City; 15 to study in Frankfurt; and 25 in Nice. The courses were to be 3 months in duration. They are now being lengthened to 4 months.

Not only has it proved easier for adults to learn the language in the country where it is spoken; it also has proved valuable for them to acquire the atmosphere in the country and to become better acquainted with the peoples who speak the language.

Nice was chosen as the site of the French language school because:

First. It is situated in an area which is easily accessible by rail, sea and air.

Second. The shortage of housing facilities is not so great as in Paris or other large French cities.

Third. It is not as expensive as Paris or most other large French cities.

Fourth. The climate is agreeable during most of the year and, therefore, reduces the strain imposed on the students by their concentrated study.

Fifth. The United States already owned property there which was well suited to house not only the school but most of the students.

The school at Nice has been a decided success. Foreign Service personnel are sent to it from various countries in Europe, Africa and the Middle East. Most of them live and take their meals in the Villa Warden, the building which houses the school. There they work some twelve or more hours a day on the French language under the tutelage of French linguists who are aided by the latest linguistic devices. During their meals and periods of relaxation, they speak only French under the supervision of French teachers. They see French movies; listen to the French radio and television; read French newspapers and magazines, and so forth. The course is strenuous and those who are naturally slow in learning languages are sometimes compelled to work late in the night to keep up with other members of their class.

THE VILLA WARDEN

The Villa Warden, which houses the school in Nice, was acquired by the United States Government in 1946 during a period when the United States was trying to convert into tangible property some of the large quantity of francs which it had received from the sale of surplus war supplies. For many years this 30 room house has been used as the residence of the American consul at Nice. As the cost of living has risen in France the cost of maintaining the villa with its 2½ acres of garden has become too great for a consul in Nice to bear. Accordingly about 2 years ago the Department had to decide whether to convert this property to purposes other than a consular residence or to sell it. It was located on a hillside more than a mile from the business center of Nice. Its location and structure were such as to

render it unsuitable for consular offices. It had been impossible to locate a purchaser willing to buy it for anything like its real value in view of the fact that the municipality of Nice placed restrictions on the use to which it could be put.

The building seemed ideal for school purposes. It was removed from the distractions of the tourist areas of Nice. It had rooms suitable for lectures, studies, meals, and the housing of some eighteen students. It had an atmosphere which would tend to reduce the strain under which the students worked.

Three United States citizens are on duty in the school at Nice: The director of the school, the assistant director for administration, and the senior instructor. There are also 11 native French instructors who are employed on a contractual basis. In addition, there are a French secretary-librarian, a French secretary-receptionist, a French night watchman who also receives visitors at night, and a French bonded cashier. The household staff consists of a housekeeper, 3 household servants, a handy man who also acts as a chauffeur, and 2 gardeners.

The fact that some 16 to 18 students customarily live in the villa represents a considerable saving to the Government since it means a reduction to the extent of $3.85 a day in the per diem allotted them. This saving, together with certain contributions by the student-supported mess, covers the cost of the staff except the salaries of the 3 Americans and of the 11 tutors who are directly concerned with language instruction. It should be pointed out also that the contributions which the students make to the mess also take care of the salaries of some of the household staff. It should, therefore, be borne in mind that if the students were not lving in Government-owned property, the cost of the additional per diem would equal the saving derived from dispensing with the staff which at present maintains the Villa Warden.

The Department has investigated the possibility of contracting out the instruction of the students to some organization which makes a specialty in the teaching of foreign languages. It has found that there is no organization which offers courses which can compare in effectiveness to those offered at the institute in Nice and that the cost of these less effective courses, if one takes into consideration costs of per diem, special equipment, and so forth, would be almost as great as the course at present offered at Nice.

Now, it is true that our committee last year recommended and stated in our report that these consulates should be opened in Africa, and we provided the funds for it. There is pending in the House a bill to create a Bureau of African Affairs of the State Department, and a bill has not passed creating a Secretary for that particular division. When the other body passed their appropriation bill last year, they were silent in their report on how these funds should be used and placed the responsibility on the State Department to do the best job they could with the funds given to them. Then, in the final conference report between the House and the Senate, the language of the House was dropped. So, the State Department, following the language suggested, expended the funds in these areas where they thought it was to the best advantage of the Government that they be spent. We have again given the funds that these consulates be opened, and I hope they will be.

Mr. Chairman, there is another matter I should like to mention briefly in passing, and that is the question of acquisition of buildings abroad. We have reduced that by $500,000 this year, and I am in agreement with that. I think we can get along very well with the funds that have been authorized. And, about $15 million of that comes from foreign currencies. However, the matter that I should like to refer to is the Embassy in London. This subcommittee that I mentioned a few minutes ago that I had the honor of being chairman of that went to London to check on the building program there recommended that we build a new Embassy building there, a new chancery. In that report we recommended that certain properties on Grosvenor Square be sold, and it was agreed that these properties would be sold to pay the expense of a new building in London. I am a bit surprised now to find that there is some agitation going on in an attempt to renege somewhat on that agreement that these buildings would be sold, because the Navy wants to stay in a very plush building on Grosvenor Square instead of moving to other locations. I point out that this agreement was entered into, and I think they should insist upon the sale of all the properties on Grosvenor Square and return to the Treasury of the United States sufficient funds for the rebuilding we are doing. It is not necessary for the Navy to retain the property on Grosvenor Square with their plush quarters. I hope the State Department will not yield from their agreement that these properties will be sold.

Mr. HARVEY. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentleman from Indiana.

Mr. HARVEY. Mr. Chairman, some few years ago it was my privilege to visit the embassies in Europe with the idea in mind of determining what our facilities were and what their future requirements would be. At that time it was the stated policy of the Congress and the State Department to proceed with the acquisition of properties, particularly in areas where we had counterpart funds that could be used for that purpose. The gentleman did mention briefly in passing something about that program. Could the gentleman give me any estimate as to what progress has actually been made in that regard?

Mr. BOW. Mr. Chairman, I would say to the gentleman that a great deal of progress has been made in the use of foreign currencies in the reestablishing of our buildings abroad. In this bill we have allowed $18 million for acquisitions abroad and we stipulate in the bill that $15 million of that amount shall be in counterpart funds, in foreign currencies. The greater amount is being used that way. We have certain areas in the world where we do not have foreign currencies that can be used and for that reason we must appropriate dollars. But the greater portion has been done in the way that has been referred to.

Mr. ROONEY. Mr. Chairman, will the distinguished gentleman yield?

Mr. BOW. I yield to the gentleman from New York.

Mr. ROONEY. It is pointed out at page 4 of the committee report on this bill that the Government, through the program known as acquisition of buildings abroad, has acquired real property valued in excess of $150 million, consisting of some 152 office buildings, 128 principal officer residences, 173 residences for senior officers and attachés, and 2,019 staff living units.

In connection with this program I should emphasize that the only actual dollars it will cost the taxpayer in 1959 is the amount of 3 million fresh American dollars. The other $15 million, while appropriated in this bill in the form of dollars, is for the purpose of transferring the appropriated dollars to the United States Treasury to get foreign credits out of the United States Treasury for use in this program.

Mr. HARVEY. I thank the gentleman.

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?

Mr. BOW. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. Does the gentleman feel it would be helpful to have a committee of the House constantly studying what is the best thing to do with the USIA? Such a bill nearly passed some time ago.

Mr. BOW. Mr. Chairman, I should like to yield to the chairman of our committee, the gentleman from New York [Mr. ROONEY], to reply.

Mr. ROONEY. Mr. Chairman, that is one of the great troubles with the USIA; there have been too many committees and too many advisory groups. The same applies to the Department of State. It has been my experience in these 14 years I have had connection with this bill, that these advisory committees and commissions cost the taxpayer more money than they are worth and never result in saving a dollar; they never result in a better operation at all. So I would be opposed to such a proposal. If they would put competent people in charge of their programs, the taxpayers will get more for their dollars.

Mrs. ROGERS of Massachusetts. The members of the subcommittee, both the majority and minority, have done a very fine job.

Mr. Chairman, may I add my deep tribute of respect to the gentleman from Ohio [Mr. CLEVENGER]. I never shall forget his kindness to me in helping me with a certain project. He always stood up for what he thought was right. We shall miss him terribly.

Mr. BOW. I thank the gentlewoman.

Mr. COUDERT. Mr. Chairman, may I say in closing debate on the part of the minority that I cannot let this phase of the debate close without expressing

my admiration and warm personal regard for the chairman of this subcommittee, under whom I have served for the past 4 years. An abler, harder working, better informed chairman I would find it hard to imagine. On top of that he is fair, he is easy to get along with, and it is a pleasure to sit on the same side of the table with him.

Mr. ROONEY. May I express my thanks to my distinguished colleague.

Mr. Chairman, I have no further requests for time.

The CHAIRMAN. The Clerk will read the bill for amendment.

The Clerk read as follows:

SALARIES AND EXPENSES, GENERAL LEGAL ACTIVITIES

For expenses necessary for the legal activities of the Department of Justice, not otherwise provided for, including miscellaneous and emergency expenses authorized or approved by the Attorney General or his administrative assistant; and advances of public moneys pursuant to law (31 U. S. C. 529); $11,200,000.

Mr. SIKES. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SIKES: On page 14, line 21, strike out "$11,200,000" and insert "$10,858,000."

Mr. SIKES. Mr. Chairman, before I discuss the amendment, may I pay tribute to the very fine work done by the chairman of the subcommittee, the gentleman from New York [Mr. ROONEY]. Anyone who studies the record of the hearings will realize how many long, exhaustive hours he gave to this important work. His has been devoted and conscientious service. We all are indebted to him for the work he does.

Then, Mr. Chairman, let me add to what has been said about my good friend, the distinguished gentleman from Ohio [Mr. CLEVENGER]. I am one of those, and I think everyone here is included in that group, who definitely regret to see this wonderful veteran of many years of outstanding service leave the Congress. He helps to provide the kind of leavening that Congress needs in its work. He helps us to keep our minds on the fundamental objective of preserving Americanism and making our Government the sound and strong thing every American wants it to be. CLIFF, let me say that I wish you were coming back. We need you and your kind very much.

Mr. Chairman, I have offered an amendment which would reduce by $342,000 the amount of money carried in the bill for civil-rights matters.

If you will turn to your hearings on the Department of Justice, page 50, you will note under programs and financing of programs by activities, No. 8 is civil rights matters, for which $490,000 is proposed. Mr. Chairman, the significant thing to me is that in 1957, just a year ago, the sum of $79,811 was adequate for the civil rights section. In the current year, 1958, $148,000 is allowed for civil rights matters, but for 1959, Mr. Chairman, $490,000 is requested—more than 6 times as much money as was provided for this same agency of Government just 1 year ago.

Now, Mr. Chairman, I think each of us must admit this is an amazing example of empire building. This is the way that little bureaucracy becomes big bureaucracy. Unfortunately, it happens that under our system of government, bright young men can catch on to some flashy title which has appeal for some segment of the voters, and can pyramid a very small agency of the Government with a handful of workers into a tremendous organization. This section, I think, is a paramount example of that practice. Here we have a group which just a few years ago had only 5 employees which is now being jumped to more than 50 employees, and it may be that the 50 will do no more productive work than the original 5. And, if this group is smart enough to keep riding the fetish called civil rights until it has run its course—and run its course of disillusionment it will—they may pyramid this agency to 500 employees.

Mr. Chairman, if the House really wants to save money—if the House wants to get down to the facts and figures and cut out expenditures that are of no real value, here is a place to make a start. Here is one place we can safely save a little—$342,000. There is no justification for an increase of six times as much in 1 year for an agency just because it has been given a new title.

May I point out the fact that this appropriation is entirely separate and in addition to the appropriation for $750,000 which the Congress approved recently for the Civil Rights Commission. Let me call your attention to the fact that the Civil Rights Commission is just beginning its work. It has not generated activity which could by any stretch of the imagination justify additional appropriations for the civil-rights matters in the Department of Justice. I think it is quite obvious that all we can anticipate from this agency is a lot of needless interference with the lives and businesses of American citizens for no good purpose as a result of the increased appropriation which has been recommended. We can go a step further and say that in the wrong hands this could be a muckraking expedition of the worst type which could drag into court many people without just cause.

Mrs. CHURCH. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. [After counting.] Sixty-three Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll and the following Members failed to answer to their names:

[Roll No. 59]

Alexander	Coad	Hillings
Alger	Cooley	Holifield
Anderson, Mont.	Cunningham, Iowa	Horan
Auchincloss	Dent	James
Ayres	Dies	Jenkins
Barden	Diggs	Jennings
Bolton	Dingell	Knutson
Bonner	Eberharter	Krueger
Brown, Mo.	Edmondson	Lafore
Buckley	Fenton	LeCompte
Burdick	Fountain	Lennon
Carrigg	Gross	Morris
Christopher	Gwinn	Pfost
Clark	Hébert	Poage
Radwan	Scott, N. C.	Powell
Rhodes, Pa.	Sheppard	Taylor
Riley	Sieminski	Teague, Tex.
Rogers, Tex.	Smith, Kans.	Whitener
Saund	Spence	Widnall
		Willis

Accordingly, the Committee rose, and the Speaker having resumed the Chair, Mr. THORNBERRY, Chairman of the Committee of the Whole House on the State of the Union, reported that the Committee having had under consideration the bill, H. R. 12428, and finding itself without a quorum, he had directed the roll to be called, when 368 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

Mr. ROONEY. Mr. Chairman, I ask unanimous consent that all debate on the pending amendment, and all amendments thereto, close in 5 minutes, the time to be reserved to the committee.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. ROONEY. Mr. Chairman, I rise in opposition to the pending amendment. I believe, Mr. Chairman and members of the Committee of the Whole, that when the facts are disclosed with regard to the proposed action under the pending amendment that we shall not have any difficulty therewith. My distinguished friend and highly capable committee member, the gentleman from Florida [Mr. SIKES] correctly stated that appropriations in this connection, as of the last fiscal year, amounted to $79,811 and that in the current year which ends this coming June 30, there are appropriations of $148,000, and that the amount included in this bill for the Civil Rights Division is $490,000. I should like to point out that over the period of these appropriations and in the 1st session of this Democratic 85th Congress, the first civil-rights bill became law and that under the terms of that bill there was set up a Civil Rights Division in the Department of Justice. Previously, and in the fiscal year 1957 and in part of 1958, there was a Civil Rights Section of the Criminal Division of the Department of Justice. This is now a full-fledged Division under an Assistant Attorney General. The amount requested for it is $342,000 more than it is now. This is no boondoggling project at all. The personnel which will be provided under this appropriation will consist of but 29 lawyers and 30 nonprofessional employees to cover the entire country. The effect of the proposed amendment would be to destroy this newly created Civil Rights Division which was formed as recently as December 9 just past. This Division was especially created by the Democratic 85th Congress so that personnel would be provided to administer the duties and responsibilities of the Department of Justice conferred by the Civil Rights Act of 1957, and to enable the Department of Justice to administer more effectively the other civil-rights laws under its jurisdiction.

The amount included in the bill for this new Civil Rights Division, $490,000 is a most modest estimate. It is merely an increase, as I have already pointed

out, of $342,000 over what has been available in the Criminal Division for this same purpose. As a matter of fact, I might say this amount may very well be short of the amount of funds necessary to carry out the provisions of the act passed in the first session of this Congress. So with that explanation, Mr. Chairman and members of the Committee of the Whole, I ask that the pending amendment of the gentleman from Florida be promptly voted down.

Mr. GARY. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to my distinguished friend, the gentleman from Virginia [Mr. GARY].

Mr. GARY. Will the gentleman tell us how much the Congress has already appropriated for the Civil Rights Commission, which should be added to the amount in question to determine the full amount appropriated for the enforcement of the Civil Rights law?

Mr. ROONEY. I should hesitate to do that, may I say to the distinguished gentleman from Virginia, because the funds for the Civil Rights Commission are included in another bill. The House has already taken favorable action with regard to the funds for that Commission. I understand the amount is $750,000. This item, which is now before us, is for the Department of Justice and provides 29 lawyers and 30 nonprofessional people in connection with their responsibilities under the Civil Rights Act of 1957. The testimony before the committee clearly indicated that this personnel will be barely sufficient for the performance of the work of the Division. The proposed amendment would completely cripple the Division and would frustrate the purpose of its creation.

Please note that whole cost of this Division charged with enforcing the civil-rights laws and handling all civil-rights cases in the courts is $260,000 less than what Congress has provided for the Civil Rights Commission.

Mr. GARY. Then, with the $750,000 already appropriated, and this amount, it will mean an annual cost of over a million dollars for the enforcement of the civil rights law.

Mr. ROONEY. If the gentleman desires to add those two amounts together, that is correct.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield.

Mr. BOW. I want to compliment our chairman in the clear presentation of this matter, and say to him that we on this side of the aisle are in agreement with what the gentleman from New York [Mr. ROONEY] has said.

Mr. ROONEY. I thank the gentleman from Ohio.

Mr. WHITTEN. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield.

Mr. WHITTEN. The gentleman has mentioned the responsibilities of this section. What are those responsibilities? Have they been clearly defined in the hearings?

Mr. ROONEY. I would assume that the gentleman from Mississippi would be more fully informed on this subject than I.

Mr. WHITTEN. Is this group to initiate action or are they to be called in by the local Federal district attorneys who normally have jurisdiction and responsibility?

Mr. ROONEY. This is the usual situation in the Office of the Attorney General of the United States working out of Washington, the same pattern as the Criminal Division, the Tax Division, and the other divisions.

The CHAIRMAN. The time of the gentleman from New York [Mr. ROONEY] has expired.

All time has expired.

The question is on the amendment offered by the gentleman from Florida [Mr. SIKES].

The amendment was rejected.

The Clerk read as follows:

IMMIGRATION AND NATURALIZATION SERVICE
SALARIES AND EXPENSES

For expenses, not otherwise provided for, necessary for the administration and enforcement of the laws relating to immigration, naturalization, and alien registration, including advance of cash to aliens for meals and lodging while en route; payment of allowances (at a rate not in excess of $1 per day) to aliens, while held in custody under the immigration laws, for work performed; payment of rewards; not to exceed $35,000 to meet unforeseen emergencies of a confidential character, to be expended under the direction of the Attorney General and accounted for solely on his certificate; not to exceed $5,000 for expenses of attendance at meetings of organizations concerned with the purposes of this appropriation; purchase (not to exceed 246 for replacement only) and hire of passenger motor vehicles; purchase (not to exceed 4 for replacement only) and maintenance and operation of aircraft; firearms and ammunition; refunds of head tax, maintenance bills, immigration fines, and other items properly returnable, except deposits of aliens who become public charges and deposits to secure payment of fines and passage money; operation, maintenance, remodeling, and repair of buildings and the purchase of equipment incident thereto; reimbursement of the General Services Administration for security guard services for protection of confidential files and for rental of buildings in the District of Columbia; and maintenance, care, detention, surveillance, parole, and transportation of alien enemies and their wives and dependent children, including return of such persons to place of bona fide residence or to such other place as may be authorized by the Attorney General; $49,500,000: *Provided*, That of the amount herein appropriated, not to exceed $50,000 may be used for the emergency replacement of aircraft upon certificate of the Attorney General.

Mr. WALTER. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. WALTER: On page 19, line 3, strike out the period and insert "*Provided further*, That hereafter the compensation of the Commissioner of Immigration and Naturalization shall be $20,000 per annum."

Mr. ROONEY. Mr. Chairman, I have just polled every member of the subcommittee and every member is in agreement that this amendment should be accepted and adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Pennsylvania [Mr. WALTER].

The amendment was agreed to.

Mr. WALTER. Mr. Chairman, I wish to express my deep appreciation and great gratification that my amendment to increase the salary for the position of Commissioner of Immigration and Naturalization from $17,500 to $20,000 was adopted. My attitude is based entirely upon my observations of the activities of the Immigration and Naturalization Service, the improvement in its operations, and the sound, firm, and fair method by which it is administering the immigration and nationality laws of the United States. I need not remark upon my deep interest in that subject or to call particular attention to the fact that the body of the immigration and nationality laws thus being administered is the Immigration and Nationality Act of which I am proud to be the coauthor. For that reason, and because of my chairmanship of the House Subcommittee on Immigration, I am firmly convinced that the duties and responsibilities of the Commissioner of Immigration and Naturalization in the direction of the operations of the Immigration and Naturalization Service call for compensation at the rate just approved by this body.

Of course, it is basic that the compensation of a position should be applicable to the office and not the holder of the job. Nevertheless, I think we should take into consideration the accomplishments of the office of Commissioner during the recent past.

The Immigration and Naturalization Act vested in the Attorney General primary authority for the administration and enforcement in the United States of all laws relating to immigration, naturalization, and nationality. Those powers were delegated to the Commissioner of Immigration and Naturalization. Under that act, the Immigration and Naturalization Service is responsible for the determination of admissibility to the United States of aliens seeking entry; it is charged with the duty of searching out those aliens who have entered this country illegally, and to accomplish their deportation.

One of the most important duties of the Immigration and Naturalization Service is to ascertain the whereabouts of aliens in the United States who have rendered themselves unacceptable to this country because of their participation in subversive, criminal, or immoral activities. In respect to naturalization, the Service conducts necessary investigations of applicants, assisting them in filing their petitions, and participates in the court hearings at which final eligibility is determined by the judge. Representatives of the Service, in those cases, are actually appearing on behalf of the Government.

One of the most important functions performed by the Service is the duty, spelled out in the Walter-McCarran Act, to guard the border of the United States against the illegal entry of aliens. I cannot overemphasize the benefits which this country has achieved as a result of the forthright and efficient reorganization of the border patrol, part of the Immigration and Naturalization Service and from the new concept as to

its method of operations. Not long ago, and I am referring to a period as recent as 1954, the United States was literally undergoing an invasion, not in the military sense, but in the form of an avalanche that carried a dire threat to our health, safety, economic welfare, and, not the least, our security. Daily, thousands of aliens swept across our southern borders, men and women, seeking money or employment. They were willing to sell their labor at any price, far below the wages acceptable to our own citizens. It was unfortunate that these substandard wages were paid by some shortsighted persons at the expense of the standard of living of our own domestic agricultural workers.

It is strange that while this Congress was writing strict legislation against the influx of cheap labor in the form of displaced persons and refugees from Europe, there were thousands daily, of unsponsored, unneeded, and unwelcome wetbacks moving across our southern border almost entirely without restraint.

The border patrol at that time, as a result of uncoordinated efforts based upon outmoded and old-fashioned ideas, was wholly unsuccessful in attempting to stem the avalanche. As many as 3,000 aliens daily were sent back south of the border, only to return, many times, to their place of illegal employment before the officers who had apprehended them were able to get back to that place. Aliens, by eye witness, were known to have entered the United States in this fashion illegally several times during a single day.

All this has changed. Under the guidance of the present incumbent, in June 1954, a special 750-man force began operations in California and soon thereafter in Texas. Men, planes, jeeps, marshalled from all quarters of the country cooperated in rounding up thousands of illegal laborers. Buses were used to convey them to places near the border, whence with the cooperation of Mexican officials, they were moved to the interior of Mexico. Advanced public announcement of what was going on played an important part in this campaign to such an extent that in the summer of 1954, without any cost to the Government and entirely unassisted, about 65,000 illegal aliens returned to Mexico of their own accord. From California they fled at a rate that was impossible to compute, and as the conditions along the border improved the work of rooting out the illegal aliens moved to industrial centers in Los Angeles, San Francisco, Chicago, and other metropolitan centers.

For the first time practically since the forties, the southern border is now under control. My colleagues from that area I know are aware that police officials have reported decreases in crimes, while welfare agencies and the like have reported decreases in relief and charity claims. More jobs have been made available to local citizens and thousands of dollars have been saved in unemployment compensation payments. The illegal entries along the Mexican border have almost been eliminated. A system of identification cards for Mexican workmen was conceived and placed in operation by the Immigration and Naturalization Service so that now a lawfully recruited bracero comes into the United States, to perform work and to receive wages in no way detrimental to the interests of our own residents—the day of the "wetback" has passed from the scene.

The problem along this area, that faces the Immigration and Naturalization Service today, is no longer the mere apprehension of a hungry job seeker, but rather the criminal, immoral, and possibly subversive types who would use the southern border as an easy method of ingress. Whereas in 1954, two-tenths of 1 percent of the aliens apprehended had criminal records, the year end report of the Immigration and Naturalization Service shows that 10 percent are now in that category. Because of high immigration into Canada, some of the unworthy and unacceptable immigrants tried to use Canada as a base for illegal entry into the United States. To meet this situation, the Immigration and Naturalization Service quickly moved to transfer a number of border patrol officers from the Southwest to the Canadian border.

I have mentioned the statutory duty of the Immigration and Naturalization Service to pass upon the admissibility of persons seeking entry into our country, I wonder if it is realized that during the year 1957 there were over 147 million entries of aliens and citizens into the United States from abroad. There were 76 million alien border crossings and 1.7 million alien crewmen admissions. Visitors, persons in transit, and other temporary admissions exceeded 800,000.

Under the present administration of the Immigration and Naturalization Service emphasis has been placed not on the little paper cases but rather on cases of smugglers, criminals, and other flagrant violators of the immigration and naturalization laws. In prosecutions, convictions were obtained in 84 percent of the cases instituted. Convictions of some 200 smugglers brought aggregate sentences of 140 years imprisonment during 1957.

During that year about 6,400 aliens were deported, including 723 criminals of which number 152 were narcotic law violators and 103 mental and physical defectives. Over 4,000 had entered surreptitiously or without proper documents. In addition, 65,000 aliens illegally here were permitted to depart voluntarily without institution of deportation proceedings. The Service reported that during the fiscal year 1957 over 875 potential applicants for admission to the United States were identified as excludable from entry because of subversive affiliations. Expulsion proceedings were initiated against 37 subversives during fiscal year 1957 and 29 subversives were expelled from the United States. The Immigration Service is returning to their own countries deportable aliens who are here at public expense because of mental or physical illness. In all such cases, the journey is not commenced until proper precautions are made so that the alien will be received and properly treated. It is estimated that the removal of the hospitalized aliens has saved the taxpayers here about one and one-half million dollars.

Not the least, should we fail to observe that 140,000 permanent resident aliens, with the assistance and efforts of the Service became citizens through naturalization during 1947.

I think that my colleagues all know the extent to which I have carefully observed the operation of the Hungarian parole program, under the provisions of the Walter-McCarran Act, not only in this country but on frequent trips abroad at the scene of actual operations. A total of about 38,000 Hungarians came to this country representing the largest number resettled by anyone of the 42 participating countries which accepted refugees. I may observe that recently I reported from the Judiciary Committee a bill, which was passed by this House, for the purpose of creating a procedure whereby the worthy Hungarian parolees could acquire the status of permanent residents so that they might ultimately look forward to the precious boon of citizenship. I think that the Immigration Service is to be complimented for the manner in which it conducted the Hungarian parole program without any detriment, in my view, to the welfare of this country.

I would not have it believed that all these accomplishments were consummated entirely by chance. They are due entirely to the reorganization of the Service, commencing in 1955, which added impetus and efficiency to its operations. For example, the casework was transferred to the field, together with a delegation of wide authority to take prompt and final action on almost all matters, without the necessity of consulting some central authority. An intensive in-service training program was instituted for career employees, something which this Government as a whole might well follow as an example. The border patrol has been made a mobile force ready to direct its attention to any focal point where trouble arises. Backlogs in all fields of work in the Service have been removed. The waiting period for an eligible applicant for naturalization has been reduced from months to days. Deportation and exclusion hearings are being conducted with officers who are now all lawyers, and the work is being done by one-third of the hearing officers formerly assigned to those duties.

In conclusion it is clear to me that without increase in personnel the operations and procedures of the Immigration and Naturalization Service have improved far beyond any mark deemed even remotely possible a few years ago. The welfare of this country demands that a law as important as the Immigration and Naturalization Act with its effect upon our security, welfare, and safety, should be administered by loyal and able servants of the public who are compensated at a rate commensurate with their duties and obligations. So also does it seem to me that the supervision of this tremendous task demands just compensation.

For these reasons, Mr. Speaker, it is with satisfaction that I welcome today's action in approving without objection the amendment to increase the salary of the Commissioner of Immigration and Naturalization.

Care of the building and grounds

For such expenditures as may be necessary to enable the Architect of the Capitol to carry out the duties imposed upon him by the act approved May 7, 1934 (40 U. S. C. 13a–13b), including improvements, maintenance, repairs, equipment, supplies, materials, and appurtenances; special clothing for workmen; and personal and other services (including temporary labor without reference to the Classification and Retirement Acts, as amended), and for snow removal by hire of men and equipment or under contract without compliance with section 3709 of the Revised Statutes, as amended (41 U. S. C. 5); $284,000.

Mr. SHELLEY. Mr. Chairman, I move to strike out the last word.

If I may have the attention of the chairman of the subcommittee, I notice in the press a report this morning that one of the attorneys for the Department of State says the reason they were not informed of the situation and the atmosphere in South America was because they did not have proper staffing to keep up with these developments. I would like to get the gentleman's reaction and comments on this statement in the press.

Mr. ROONEY. I would say to the distinguished gentleman from California that any such contention is preposterous. This year, as in previous years, increases have been allowed in salaries and expenses of the Department of State. Right in the current bill, if you please, the amount for salaries and expenses in the conduct of foreign affairs is increased over what they have right now, by $2,175,000.

I think the answer to the problem is not more money, but more know-how and ability. The possibility of the situations which developed in Lima and Caracas should have been called to the attention of the Vice President before he arrived. If they were called to his attention and if they did make certain recommendations against parts of his visits, then he was reckless in proceeding against their advice.

I should think that instead of having high-ranking American Foreign Service officers down at the Villa Warden at Nice, on the French Riviera, officers receiving fourteen, sixteen, and eighteen thousand a year in salaries and allowances, to study French, which they can learn in Paris at the Berlitz School for 59 cents an hour, we might have more intelligence as to what is going on if they were out on the beat working.

Mr. SHELLEY. It seems to me, I may say to the gentleman from New York, that the gentleman has made the point that if the State Department intelligence and our general overseas intelligence knew those facts——

Mr. ROONEY. Not only the State Department, but the Central Intelligence Agency.

Mr. SHELLEY. Central Intelligence; yes; I agree. If they had done the job which they are set up to do and advised the administration then the visit should not have been made. If they did know it, then somebody in the administration was derelict in taking this gamble with American prestige all over the world.

Mr. PRESTON. Mr. Chairman, will the gentleman yield?

Mr. SHELLEY. I yield.

Mr. PRESTON. I, for one, have felt that it was not right or proper to keep the Congress so utterly in the dark as to how much money is appropriated for the operation of the Central Intelligence Agency. I stated it in committee and now I want to state it on the floor. All too often we are getting into situations because we do not have information from the Central Intelligence Agency, yet we are spending astronomical sums, sums that I feel all Members of the House of Representatives should know about, the total for this Agency with people all over the world; and yet we run into situations where we are caught short because of lack of information. I must say we were caught short in South America. That is one of the most serious developments that has occurred in our foreign policy in many years. It is a disgraceful situation that will arouse the ire of every American. We should demand some explanation as to why our people were not informed by the Central Intelligence Agency.

Mr. SHELLEY. I want to thank the gentleman for his comments, and to say that if such is the situation certainly the overseas intelligence service should be looked into thoroughly, and possibly should be overhauled from top to bottom.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. SHELLEY. I yield.

Mr. HAYS of Ohio. Just as a matter of keeping the record straight, about 2 weeks ago the man in charge of the South American desk testified before the Foreign Affairs Committee that there were no Communists in South America.

Mr. SHELLEY. Mr. Chairman, I yield back the balance of my time and ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

The Clerk read as follows:

Repairs and improvements

For necessary repairs and improvements to the Court of Claims buildings, to be expended under the supervision of the Architect of the Capitol, $9,000.

Mr. BOGGS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I was tremendously interested in the remarks made a moment ago by my distinguished colleague from Georgia [Mr. PRESTON]. I think his observation about conditions prevailing in Latin America are as appropriate as anything we can discuss at the moment.

It so happens that as chairman of the Ways and Means Subcommittee on Foreign Trade Policy, accompanied by the gentleman from Michigan [Mr. MACHROWICZ], I had the pleasure and privilege of visiting practically all of the countries which the Vice President has recently been in. In all of these countries it was obvious at that time, which was back in November of last year, that the Communists were making a very serious economic penetration throughout the area. And, it was quite obvious that they were using every conceivable device to exploit any weakness on our part.

Now, let me give you an example. Last year we had a recommendation before the Committee on Ways and Means that we suddenly change our whole way of operation of the lead and zinc program and that we establish an excise tax on the import of lead and zinc. Well, in our country that created very little discussion except in mineral circles and among the Members of this body who have the responsibility of representing those very important people in our own economy; but in Peru, one of our very friendly and lasting friends in this hemisphere, it almost caused a crisis.

And, when I say "crisis," I do not exaggerate the situation. As a matter of fact, our ambassador to Peru, Mr. Achilles, made a number of trips to the United States at that time pointing out to the State Department and the administration the far-reaching consequences of this recommendation.

Now, let me give you another example. Take Chile. Chile is dependent almost completely upon copper in its economy. The Secretary of the Interior only recently went before a committee in the other body and made certain recommendations relative to copper. This caused the Chilean president, I am told, to cancel his visit to the United States, and it also indirectly caused, along with some other developments, the ambassador from Chile to resign.

Colombia is dependent almost entirely upon coffee in its economy. So is Brazil. Colombia is a country where, believe me, communism is certainly not indigenous; nevertheless, they have accepted the Soviet mission because the distress in the coffee economy is so very bad. The same thing, I might say, applies in the Argentine, where they are dependent upon beef and upon wheat. Someone mentioned wool. Of course, wool is up the line a bit. I think they have more in Uruguay. Then we turn over to Bolivia and we see what is happening there today, with a full scale revolution in effect—another economy depending on tin almost exclusively.

So, here we have these countries which have traditionally been our friends, and they have been our friends in so many ways that many times we are not even conscious of it. When a critical vote comes up, for instance, in the United Nations, almost invariably we find Chile and Colombia and Peru and Brazil and Uruguay and Paraguay and the other countries which I have mentioned voting on our side and voting against the Soviet bloc.

So, in my judgment, my colleagues, we must give very, very serious consideration to this economic penetration in these countries which traditionally are our friends and which are in our own hemisphere, and I hope that as a result of this very distressing incident which has happened to the Vice President, we will take another look at some of our policies and that we will realize that some of the issues before the Congress—I might cite one which will be before us very shortly, the Trade Agreements Act—have very far-reaching implications indeed.

The Clerk read as follows:

COURTS OF APPEALS, DISTRICT COURTS, AND OTHER JUDICIAL SERVICES

Salaries of judges

For salaries of circuit judges; district judges (including judges of the district courts of Alaska, the Virgin Islands, the Panama Canal Zone, and Guam); justices and judges of the Supreme Court and circuit courts of the Territory of Hawaii; justices and judges retired or resigned under title 28, United States Code, sections 371, 372, and 373; and annuities of widows of Justices of the Supreme Court of the United States in accordance with title 28, United States Code, section 375; $9,358,500.

Mr. JUDD. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the impression may have been given that the State Department has not been fully aware of the economic difficulties in Latin America, which the gentleman from Louisiana [Mr. BOGGS] has just discussed, and of the successes of the economic efforts and operation of the Soviet Union in South America. I should like to correct any such impression with the facts. When the Secretary of State appeared before the Committee on Foreign Affairs in January—we always have him come at the beginning of a new session to report on events that have occurred since our adjournment and to present the situation all over the world as he sees it—he began his discussion by outlining, first of all, the seriousness of the threat of the economic activities of the Soviet Union in Latin America. He discussed some of the specific problems of individual countries that the gentleman from Louisiana just mentioned. While we were in executive session, it certainly is in order to report his comment that it is very hard to combat the kind of efforts that they use, because they disregard and do their best to disrupt all the regular processes and normal procedures by which trade is carried on among free nations in the free world.

We operate through commercial banks and extension of credit, we operate through contracts that are made and carried out, we operate with accepted mediums of exchange. He said that they go into a country with a shopping list and say, "What do you want from our list in exchange for what you have?" One has coffee to export. Another has wheat. Another has copper, tin, oil, and so forth. They make a deal for an exchange with the Soviet Union or the Communist bloc for whatever the latter have or can get.

Of course, the Communists will barter commodities that they themselves need, including food out of the mouths of their own people, to get critical materials from, or an advantageous position in, another country on which they have designs. The Communists in China have done this for years and are doing it right now. Even though Chinese are starving, they export huge quantities of rice in barter deals, for example, with Ceylon for rubber, or with some other country for some other essential material, or try to secure entree to that country. Thereby they increase their influence and their penetration—their political as well as their economic goals.

This is a very difficult problem with no easy solution. The State Department is very much aware of it. And I may add this further point, that one of the primary, perhaps the major reason for sending the Vice President to Latin America at this time was not because of ignorance regarding the dangerous situation there, but because of awareness of it, in the hope that he might be able to explain more fully and get better understanding of our positions, our purposes, our policies on these matters, and also of our difficulties. As everybody knows, the administration of which Mr. NIXON is a part favors reciprocal trade as an important means of dealing with these economic problems of the Latin American countries, but the Congress itself has not yet been willing to go along with the position of the administration. Therefore, it was important for our Vice President, a person of great stature, to go down there and try, especially through informal conversations, to explain to them what it is the United States stands for, what it is we are trying to do in Latin America and in the world; and also to explain the difficulties we have, just as they have theirs. We have legislatures, we have citizens, we have taxpayers, and they all have views and wishes that must be considered. Certainly he was sent with the hope that out of the visit would come a better understanding all around. It would at the outset show that we are paying great attention to them and that we do recognize their problems and that we hope we can build better understanding and cooperation in dealing with these admittedly very difficult problems.

Mr. Chairman, I rose merely to make clear that it was not because of lack of understanding or lack of awareness of this problem of unrest and Communist infiltration in Latin America that the NIXON mission was undertaken in the beginning, but rather it was because of very acute and clear understanding and awareness of it.

But, may I say one further word? Sometimes these things that look bad operate in reverse. There was a tendency in almost every country that has been taken over by communism to poohpooh it. After all, it was only a handful of students or other citizens who were Communists; it did not amount to much. When people woke up, it was sometimes too late. These riots are a clear warning to the Latin American people as well as to us. I regret that the Communists have made as much headway as they have in some of the lands to our south, but since they have done so, it is very possible that the shock that has come to the people there and of our own country from these incidents may be very good for all of us and, therefore, may lead to improvement of our relations and our security in the whole hemisphere.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. JUDD. I yield.

Mr. CURTIS of Missouri. I want to congratulate the gentleman from Minnesota on his fine statement and explanation, and ask this question: Did the gentleman from Louisiana, the chairman of the Ways and Means Subcommittee on Tariff and Trade Policy, come before the Committee on Foreign Affairs to present this information he stated here on the floor?

Mr. JUDD. Not to my knowledge.

Mr. CURTIS of Missouri. I do not believe there has been a report of that nature.

Mr. ROONEY. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, I think it might be well for the members of the Committee of the Whole in connection with this discussion to know that there are 1,411 people in the Bureau of Inter-American Affairs of the Department of State. There are 121 backstoppers or deskmen here in Washington. There are 731 Americans and 599 local employees throughout the area. These people are in addition to the employment of USIA all over that area; this is beyond the employment of CIA throughout the area; this is without ICA; this is without the Bureau of Foreign Commerce; this is without the Department of Agriculture; this is without the military and many employees of various other Government agencies. So I should certainly hope that what the gentleman from Minnesota [Mr. JUDD] said is the fact, that they knew what was going on. Certainly with the huge amounts of money for such a large number of employees we should know what is going on. If that is the fact, how did these incidents take place?

Mr. ROOSEVELT. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from California.

Mr. ROOSEVELT. May I also point out to the very able gentleman from Minnesota that the recognition of the fact that the problem is difficult is not an excuse for not solving it. The fact remains that the actual administration of the present policy has been pathetic. As an example of it, it is a fact that in connection with the Development Loan Fund that we discussed yesterday we invited countries in South America to come up here and request loans and make their needs known. Then we gave them such complicated red tape we did not even have the forms ready for them to fill out. As a result we led them down the path, and they had to go down the path disappointed. It is things of that kind, it seems to me, on which we have disappointed our friends in the Southern Hemisphere, that we could improve.

I go back to 1936, when we did have a good will tour in South America which was eminently successful. We did have a Secretary of State who seemed to be able to solve these problems. I hope we may now have a new approach and, if we do, I hope it may be successful.

Mr. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Louisiana.

Mr. BOGGS. The gentleman from Missouri mentioned the information I sketchily gave the House a moment ago. I might say that you will find in the RECORD the statements I made on numerous occasions on returning from Latin America the last few summers.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I yield to the gentleman from Connecticut.

Mr. MORANO. As to the development loans mentioned by the gentleman from California, it might interest him to know that there are applications you must file, that is sure, but there already is more than one loan signed and sealed and ready to deliver.

Mr. ROONEY. The gentleman is correct. It is my understanding there have been two loans consummated all over the world.

Mr. MORANO. I am talking about Latin America. I think there is more than one in Latin America alone.

Mr. TABER. Mr. Chairman, I move to strike out the last three words.

Mr. Chairman, my friends on my right seem to have the idea that we should not, when we find out that we have a problem to solve, try to solve it and straighten it out and get the people in that part of the world thinking our way.

Now they refer to the situation in 1936. At that time the Communists had not progressed so far down the line after their recognition as to be a menace in South America. They developed to that extent since then as a result of grants-in-aid that have been made to them by the United States of America. We are up against that situation because that was done.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. MORANO. Certainly, the gentleman on the other side cannot take credit for correcting the situation in Guatemala.

Mr. TABER. No.

Mr. MORANO. We were able under this administration to overthrow a Communist government in Central America and bring about democratic rule there.

Mr. TABER. That is right.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. JUDD. Just a word in answer to the gentleman from California [Mr. Roosevelt] with respect to the Development Loan Fund. I heard him say over the air last night something to the effect that its money had been available for a year and a half and almost none had been spent. Actually, the President did not get to sign the bill authorizing the fund until early last September. It was, of course, the end of the year before the organization could be set up and its personnel selected, hired, and organized. Mr. McIntosh, its director and a man who has spent his life in foreign trade, did not take over the management of it until January. So, actually, when you consider that it has been in operation for only 4 months, it is completely unreasonable to expect that he could have made any loans on the applications received for projects all over the world unless he had followed the careless policies and practices of previous administrations by just giving handouts to almost anybody who asked for one. We would be the first to condemn him if he were to make loans before projects are adequately studied and demonstrated to be sound.

Mr. MORANO. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. MORANO. I just want to make one more point. Since 1946, at least three countries have now elected a democratic government under truly democratic processes, and they are Argentina, Honduras, and Guatemala. There has been the overthrow of a dictator in Venezuela. Now that is pretty good. I want to pay a compliment to the gentleman from Louisiana [Mr. BOGGS]. Certainly, he has emphasized that we do have problems there and I agree with him, but I also want to say that we are getting at those problems and we are trying to solve them and we expect to solve them.

Mr. TABER. And we would not be doing any good if we did not try to solve them. That is what we must do. There is no sense in our making all these appropriations and giving these people all the considerations that we have in every way all along the line of legitimate trade and all that sort of thing and not expecting to get some good results. In these countries where they said we had trouble and people annoyed Mr. NIXON while he was going through, the majority of the people in those countries were not the ones who did that, but it was simply a small group of students and youngsters who were stirred up by Communists to make trouble. We have to face that situation. We have to find a way to reach the people so that that sort of thing will not happen. The Communists all over the world will do the best they can to make trouble for us. We have to fight all the way and those who say that we should not have tried to fight and to get this situation straightened out are making a mistake.

Mr. CURTIS of Missouri. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am sorry that this debate has gone off on this tangent, but I do not believe it should be left there.

Mr. ROONEY. May I say to my distinguished friend that I, too, am sorry.

Mr. CURTIS of Missouri. Yes, the only reason I have taken the floor and to go on a little further is to express disappointment that the developments in South America should have created apparently a division in our ranks when the occasion calls for a closing of ranks, if you please, in our country.

The second point I want to make is that I would think it is very obvious that the State Department and this administration recognized that there was a problem in South America, as the gentleman from Louisiana, and others have pointed out.

That was the very purpose of the Vice President being sent to South America, to try to help the situation. I am satisfied that as events unfold in the future it will prove to be one of the most valuable things we could have done. Far from criticizing, I would think that gentlemen on this side would acclaim the fact that we did take the action we have and moved in to try to create greater friendship between our country and the South American countries.

Mr. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I yield.

Mr. BOGGS. I am certain the gentleman did not get the impression from anything I said that I was trying to be destructively critical of anyone.

Mr. CURTIS of Missouri. I am sorry to say to the gentleman I did get that impression. I also got it from other remarks. I hope I am wrong.

Mr. BOGGS. Will the gentleman yield further?

Mr. CURTIS of Missouri. I yield.

Mr. BOGGS. If the gentleman got that impression he got a very wrong impression.

Mr. CURTIS of Missouri. I am happy to hear that.

Mr. BOGGS. I intended to point out what the problems are. In addition to that, I specifically mentioned that Ambassador Achilles in the State Department had made several trips from Peru to the United States in an effort, a sincere effort, to point out these problems as they affect Peru.

Mr. CURTIS of Missouri. I know the gentleman made that remark.

Mr. BOGGS. Certainly the gentleman would not expect me to take a Pollyanna attitude about this problem; because it exists.

Mr. CURTIS of Missouri. Of course these problems exist, but I think in light of what was said there was that impression, and I am happy that the gentleman has corrected the wrong impression that I had. I am glad to hear that he does feel that this was an affirmative step, a step forward, to have the Vice President go to South America to try to help correct the situation.

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. CURTIS of Missouri. I yield.

Mr. NICHOLSON. Is coffee on the free list?

Mr. CURTIS of Missouri. We do not raise any coffee in this country.

Mr. NICHOLSON. Do we charge them anything for bringing it in from Brazil?

Mr. CURTIS of Missouri. Well, it is a very fine item of trade, because it does not involve any of our domestic production, and we are the greatest market for Brazil and Colombia and those other countries.

Mr. BOGGS. Mr. Chairman, will the gentleman yield further?

Mr. CURTIS of Missouri. I yield.

Mr. BOGGS. The gentleman was with our subcommittee in Canada before we went to Latin America, and we hoped that the gentleman would go with us to Latin America.

Mr. CURTIS of Missouri. I know you did.

Mr. BOGGS. The gentleman I think will agree that it is a fair statement, the gentleman was in Canada and met with everyone, from the Prime Minister on down, that our lead and zinc policy created distress in Canada.

Mr. CURTIS of Missouri. It did, and so did wheat. Those are real problems that cannot be passed by. I know the gentleman agrees that the way to solve

the problems is by facing them, and I want to state that the way Vice President NIXON faced the problem in South America should warm the heart of every American.

The CHAIRMAN. The time of the gentleman from Missouri [Mr. CURTIS] has expired.

Mr. PRESTON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I do not think we can approach these questions that we are currently debating on a partisan basis, but I do think there are certain unanswered questions which should be discussed. We are all amazed by the fact that apparently nobody was apprised of the dangerous situation existing in South America when the Vice President went there. This debate originated this afternoon by virtue of a question asked whether or not the State Department should have known this or whether the statement made by an employee of the State Department to the effect that they did not have enough employees to find this out. This fact is crystal clear, however, regardless of whether anybody employed by the United States Government in South America should have known about it, the fact does remain that the local governments involved failed miserably to give adequate protection to a high official of this Government. I do not know whether we have had any apologies from those governments or not, but I know one thing: If this had happened during the Teddy Roosevelt days, he would have sent the old battleship in again like he did in South America before, and he would have demanded an apology instanter.

I am glad the President took the action he did. I am not criticizing the President; I am glad he took the action he did to send troops immediately into the area.

But the main thing I got on my feet to say is that although we are appropriating unbelievably large sums for the Central Intelligence Agency, we are not getting from this agency the kind of information we are entitled to have for the money we spend.

I want to inquire of the gentleman from New York [Mr. TABER]—I would direct this question to the gentleman from Missouri [Mr. CANNON] if I could see him at the moment—but I would like to inquire of the gentleman from New York how many Members of the House of Representatives know the total amount we appropriate for the CIA?

Mr. TABER. I think five.

Mr. PRESTON. Five Members. I thank the gentleman.

If we were getting real results from this agency we might put up with the luxury of the hoodwinking and the blindfolding of Members of the House as to this Agency, but we are not getting it, so I think it is time we turned the light on them and found out how many employees they have, where they are operating, how many in Peru, how many in Venezuela, what they are doing, how much money they have.

Mr. TABER. If the gentleman will yield, there never has been a single instance where they failed to produce information and lay it before the proper officers of the Government as to the facts on any of these things that have come on. I have checked that very carefully.

Mr. PRESTON. Before whom did they lay the information about the insults that were going to be hurled at Vice President NIXON?

Mr. TABER. They laid the whole information with reference to the people down in South America before the State Department before he left.

Mr. PRESTON. Then if we permitted the Vice President to go into those countries with that information known we risked his very life.

Mr. TABER. Would not the gentleman like to try to straighten out any feeling there really was down in South America?

Mr. PRESTON. If that information was laid before our people and our State Department did not call on the local governments to provide adequate security for the Vice President, they are possibly guilty of criminal negligence.

Mr. FEIGHAN. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from Ohio.

Mr. FEIGHAN. The gentleman from New York stated that they laid information before the proper authorities; but I question the accuracy of that information, and I wonder where they bought it, because they do not seem to have qualified men in Intelligence to come up with correct information. You cannot evaluate faulty information and arrive at any useful results.

I think it is about time there was a complete investigation by Congress of our intelligence agencies responsible for this faulty information—or intelligence if you use a misnomer—that comes from CIA. There is abundant evidence that our top officials are receiving faulty information with respect to critical issues around the world which causes us to make blunders which reduce our prestige in the world. This is the case not only in the present situation in South and Central America, but also in Korea and other places which resulted in the loss of the lives of many of our soldiers.

Mr. PRESTON. The gentleman is correct. We have been late is discovering any action Russia intended.

Every American has been insulted by these countries of South America. The flag of our country has been desecrated.

The CHAIRMAN. The time of the gentleman from Georgia has expired.

Mr. BOGGS. Mr. Chairman, I ask unanimous consent that the gentleman from Georgia [Mr. PRESTON] may proceed for 5 additional minutes.

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

Mr. PRESTON. I thank the gentleman.

Mr. JUDD. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield for a question.

Mr. JUDD. It is a little hard to put it in the form of a question. Does not the gentleman agree that the Communists have trained cadres, ready to start riots, or strikes, or other disrupting operations whenever the signal comes, whenever the order is given, in every country of the world, including the United States of America and especially among youth groups? Does not the gentleman agree to that?

Mr. PRESTON. I am not on the inside; I could not answer with great truth, but I suspect it.

Mr. JUDD. You can be sure of it. They exist. But how is it possible for anybody to know just when the men in the Kremlin will decide to issue the order to go into action in a particular country or area where they have the trained people whom they have been preparing for just such events for years ahead of time?

Mr. PRESTON. My dear doctor, you are not the naive man that you would appear to be. The gentleman knows that the FBI has successfully infiltrated every Communist cell in this country. Why, then, is it impossible to penetrate cells in other countries, these youth groups, when we have unlimited funds for use by our CIA agents all over the world? Why have we not penetrated these organizations? Failure to do so indicates incompetence, in my opinion.

Mr. JUDD. I think we have penetrated many of them. But we cannot know ahead of time when the order will be given. Does not the gentleman think it is unfortunate that more countries do not have institutions like the House Committee on Un-American Activities which, despite all the abuse it has received, has nevertheless stuck to its vitally important business of focusing public attention on, and thereby keeping us more alert to the skillful infiltration of the Communists?

Mr. PRESTON. I thank the gentleman.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from Florida.

Mr. SIKES. I think it is a very sad commentary that it appears that none of the major upheavals of recent years have been known to the American Government and the American people until we read it in the papers, despite the fact that we are spending several million dollars a year on this Agency whose accounts apparently are scanned little, if any, by anybody in the representative branches of the Government. I think the gentleman is making a distinct contribution by focusing attention on this matter as he has.

Mr. PRESTON. I thank the gentleman.

Mr. HAYS of Ohio. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from Ohio.

Mr. HAYS of Ohio. The gentleman from New York said there are about 5 people in the Congress who knew the amount provided for the CIA. Can the gentleman tell me of one person in the Congress who knows whether they have come up with any information that has been any good or not?

Mr. PRESTON. That is difficult to answer. I have raised this question before. The CIA has invited me to come down and have a briefing, and I fully expect to go at the first opportunity. I do

not know how much they will tell me when I go, but I have certain questions I propose to ask. I do not want to violate any security rules or any security regulations, and I am not asking anybody here to violate them on the floor of the House as to how much we appropriate. But, through the grapevine around here I found out, and I was shocked at the amount of money they have spent.

Mr. BOGGS. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from Louisiana.

Mr. BOGGS. I speak only as a layman because I have no information other than what I read in the newspapers, and obviously just five Members of Congress have information on this subject, but reading the press as best I could, I gathered that we had no advance information about what happened in Suez a year or so ago. In addition to that, when Russia launched its sputnik last October and then launched another one—and they launched another one yesterday which weighs about a ton—it came as a great surprise to the American people. Now, did you as a member of the Committee on Appropriations have any knowledge about either Suez or about the development of outer space satellites?

Mr. PRESTON. Of course we did not, and I do not recall ever having gotten any direct information from the CIA except on one subject, and that was the dissemination of Russian scientific papers that we wanted to translate in the Commerce Department.

Mr. ARENDS. Mr. Chairman, will the gentleman yield?

Mr. PRESTON. I yield to the gentleman from Illinois.

Mr. ARENDS. I am pleased to hear the gentleman say that he is going down to have a briefing with CIA. In the Committee on Armed Services, under the chairmanship of the gentleman from Georgia [Mr. VINSON], it is part of our business to investigate what the CIA does in military matters. I hope you will talk to him likewise and know that we are occasionally brought up to date on the activities of the CIA. And, of course, while they have faults, they have done some commendable things due to the knowledge they have brought to the proper people at the right time. And, I am very glad that you are going down and listen to what they say.

Mr. PRESTON. The Members of Congress generally have the impression that we do not get much information from them.

Mr. SPRINGER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, it seems to me we are getting into rather small space when we are discussing on the floor of the House the question of what the Vice President of the United States ought to have done under circumstances which we know very little about. In many instances on these good-will trips he is faced with circumstances beyond his control and it is necessary for him to make on-the-spot decisions.

Let me give you an example. Five years ago this fall when he was in India on his good-will mission, I was there at the same time. One afternoon in Rangoon, Burma, he visited a religious temple in one part of the city. When he got out of his car he, for the first time, saw that it was necessary for him to walk about one-half mile down a long avenue. This avenue was lined with Communist demonstrators of all types—some with signs advising him to go home.

At that moment he had to make a decision whether to walk openly down this avenue or to retreat into his automobile and drive away defeated. He was advised by members of the State Department that his life was in danger if he chose to take the walk. As the Vice President has said on several occasions since then, he had to make up his mind as to whether or not he was going to stand up for our country and proceed in accordance with what he felt was made necessary by the dignity of his office.

He walked down that street to the temple. Fortunately for everyone no incident took place.

Now I presume that when he went to South America he was similarly advised of the calculated risks which he had to take. He was faced with the same kind of decisions in every country which he visited. Those calculated risks are a part of his job and I doubt if any of us would feel very proud of him if he chose to retreat from what he felt was right and in the best interests of his mission in that country—even though it involved considerable personal risk.

These are just a part of the problems that the Vice President faces anywhere he goes in the world. I think we should feel proud of the Vice President and his wife that they chose to proceed with their mission even though the risks were great.

Mr. Chairman, I just want to talk for a moment about the entire problem of South America.

I think everyone here knows that I have been a strong supporter of the Reciprocal Trade Agreements Act. No one in this Chamber has exceeded me in his admiration of Cordell Hull, who I think was one of our great Secretaries of State and I have said that on this floor before. In addition I have voted for mutual assistance, mutual security, and foreign aid each year it has been before this Congress.

However, in South America a substantial part of the basis of our commercial relationship grew out of World War II. During those 4 years we absorbed an abnormally large amount of minerals and raw materials of all kinds from South America. This continued for several years after World War II.

In the last 4 or 5 years we have arrived at a time in our economy when we are not able to absorb as much of these raw materials as we did in wartime. We have had to cut back. We are absorbing far less. The problem in no way resembles that which faced Cordell Hull in 1936 when the Mutual Reciprocal Trade Agreements Act was first enacted. A large foreign export market of South America's raw materials was built up in the United States. This cutback, which has been necessary with the ups and downs of our economy, has created the crises that exist in many of the South American countries. That is the reason many of the South American countries are looking around for other markets than the United States.

The problems in South America, insofar as the export of their raw materials is concerned, considerably resemble the agricultural export problems of this country at the present time. During and for a number of years after World War II we produced a tremendous surplus of agricultural products which were shipped to countries all over the world. During the war years we were feeding a substantial portion of the people of Europe and the Near and Far East. Now many of those markets have returned to normal. We are faced with a surplus problem in agricultural products. In this respect the South American problem resembles our own in the field of agriculture.

We cannot continue to take those raw materials from South America at the same rate at which we did during World War II, when we took everything they had to export. That is the basis of the problem with which we are faced in South America today. There is no easy solution, but I do believe that we are working on it and that something can be worked out which will be satisfactory. As has been pointed out on the floor today we have passed legislation last year to help some of these countries develop portions of their economy which can substitute for the exports which are presently lacking.

Mr. Chairman, in addition, may I say that the Reciprocal Trade Agreements Act can only partially solve the problem which I have pointed out above, but I do believe the Reciprocal Trade Agreements Act will be extremely helpful in alleviating a portion of the raw-material problem of South America.

Mr. Chairman, I mention these matters because there are changes that we will have to make in our foreign policy. But it is small stuff for us here today to be talking about what the Vice President of the United States should have done 3,000 miles away. He was faced with circumstances where he had to make an immediate decision, even though risk was involved. I do not believe any of us are in a position to say that the decision he made was wrong on the basis of the bare facts which we have been able to obtain thus far.

Mr. JACKSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I am sure no one listening to this debate could conceivably read into it any taint of partisanship. Of course, that is as it should be, because if there is one area which is of vital, of transcendent importance to us today, I believe it is the area immediately to the south of us, in Latin America.

Whether or not the Vice President received warning of what might conceivably transpire in Buenos Aires, in Lima, or in Caracas, I do not know. But I do know that under very similar circumstances in Bogotá, Colombia, in April of 1948, when Gen. George Marshall was Secretary of State, the CIA and the other intelligence agencies did come to

General Marshall and inform him that there was every likelihood that there might be rioting and difficulty in Bogotá during the Ninth Conference of American States.

Mr. Marshall said:

I do not propose to call off the conference so far as the United States is concerned. I think we have gone to too much work and too much preparation. Those who do not wish to stay who are members of the delegation can go home. However, I propose to stay here and I propose to carry out the items that we have on our agenda.

I am inclined to think that this was probably the case as far as the Vice President is concerned, because it is very naive to believe that there are not well organized cadres of Communists in the Latin American Republics as there are everywhere else including the United States, cadres which are capable of instantaneous action when the opportunity offers itself. It is very difficult, I submit, Mr. Chairman, to know when that order is going to be given because it is the sole responsibility of the principal functionary of the party in any particular area, and I am sure that he is not going to confide his instructions from the higher echelons to the members of the CIA no matter how capable they may happen to be or how well trained they are in intelligence work. This is a single decision.

I think if one works with the Communist conspiracy as does the gentleman from Pennsylvania [Mr. WALTER] and the other members of the Committee on Un-American Activities here in the House of Representatives that is one fundamental thing that you learn, that you do not sit down and discuss whether or not you are going to revolt, you do not discuss whether you are going to riot or sabotage or conduct espionage. You are told when the decision is made by the one individual who has the authority to make that decision.

So I think that if there is any misunderstanding of this point or if there is any widespread belief in this House that the revolutionaries stand around on the street corners discussing what they are going to do, it might be well to disabuse our minds internationally and nationally on that point. This is a subtle, well organized, well directed, dedicated movement, and it is very difficult indeed to determine in advance what they are going to do.

Mrs. CHURCH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, when I heard the story referred to by the gentleman from Illinois [Mr. SPRINGER] of the Vice President's dangerous walk in Burma, I thought there should be put into the permanent RECORD and given to the House the sequel of that story.

The subcommittee of the Committee on Foreign Affairs with which I was traveling landed in Burma just a few days after that incident. I sat at luncheon near a prominent member of the Government of Burma. He said to me, "That is quite a Vice President you have." I looked at him and said, "Well, I think so. What gives occasion to that remark?" He said, "You know, I was out with him when he took that walk through the hostile Communist crowd the other day, and when I came back that night I sat down in my club in Rangoon next to the Communist who had planned the whole thing, and that man said to me, 'Were you out today with the Vice President?' I said, 'Yes; I was.' The Communist leader said, 'Well, we lost that round.' "

I am inclined to think, Mr. Chairman, that when a young American carrying heavy responsibilities and carrying also with him the dignity of his own country walks proudly forth and takes the risk, he will indeed win plenty of rounds against communism.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

FEES OF JURORS AND COMMISSIONERS

For fees, expenses, and costs of jurors (including meals and lodging for jurors in Alaska, as provided by section 193, title II, of the act of June 6, 1900, 31 Stat. 362); compensation of jury commissioners; and fees of United States commissioners and other committing magistrates acting under title 18, United States Code, section 3041; $4,925,000.

Mr. SHEEHAN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to address my remarks to the chairman of the subcommittee [Mr. ROONEY], with a view to getting some background information. I notice on page 18 of the report in the comparative statement of appropriations for 1958 there is shown a payment to the Republic of Panama of $1,930,000. I fail to find out where this is covered specifically, in what part of the appropriations.

Mr. ROONEY. May I say to my distinguished friend, the gentleman from Illinois, that the committee does not have a single thing to do with this. This is a permanent appropriation which is directed by law to be paid to the Republic of Panama. There is nothing we can do about it.

Mr. SHEEHAN. Does not the Department of State come to you and ask for the money, since it is up to the Congress to appropriate all moneys given to the agencies?

Mr. ROONEY. No; they do not have to come to us and ask for the money.

Mr. SHEEHAN. Then, Mr. Chairman, I want to bring that to the attention of the Congress from this standpoint. In 1955 we signed a treaty with the Republic of Panama upping the so-called gratuity payment from $430,000 to $1,930,000—an increase of $1,500,000. Prior to this time in the previous treaties covering this gratuity, payment was made by the Department of State indirectly to the Panama Canal Company which passed on the $430,000 to the shippers by way of tolls. In the 1955 treaty, our Government agreed to raise this by $1,500,000. There is a question in my mind and in the minds of many Members of the Congress as to whether or not this additional $1,500,000 should be repaid to our taxpayers by charging tolls to the users of the Panama Canal. The precedent was set in the original treaty with Panama. The precedent for charging this money to the tolls was set in the 1935 treaty and should have been continued in the 1955 treaty.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. SHEEHAN. I yield to the gentleman from Ohio.

Mr. BOW. My recollection is, and I think the gentleman if he checks will find, that under the treaty itself there is a provision that these payments shall not come out of tolls. It is something over which the Congress, or at least the House of Representatives, would have no control. My recollection is that the treaty itself provides that payment shall be made, but not out of tolls from the canal.

Mr. SHEEHAN. That is not my recollection of the treaty because we considered this last year in the Congress along with other problems about this treaty, conveying to the Republic of Panama land and property with a market value of $24 million. We considered that bill up here in the House under suspension of the rules. When it went to conference with the Members of the other body, it was agreed then that this amount of money would be considered by this Congress this year although no action has been taken.

Mr. ROONEY. Mr. Chairman, will distinguished gentleman yield?

Mr. SHEEHAN. I yield to the gentleman from New York.

Mr. ROONEY. Mr. Chairman and members of the Committee of the Whole, annual payments are made to the Government of Panama in consideration of rights granted in perpetuity for the construction of the Panama Canal. A new treaty of mutual understanding and cooperation entered into force on August 23, 1954, provided for an annual payment by the United States of $1,930,000 of which $430,000 is reimbursed to the United States Treasury by the Panama Canal Company.

Mr. SHEEHAN. The question I raise is why does not the Congress get busy and also charge the $1,500,000 because under the treaties operating at the present time two-thirds of the people using the Panama Canal are foreign-flag ships and it amounts to a situation where we are subsidizing these foreign-flag ships.

Mr. ROONEY. May I say to my distinguished friend that he is in the wrong store. This committee is not in the business of making treaties.

Mr. SHEEHAN. No; but we are in the business of implementing treaties by making appropriations for them.

Mr. HENDERSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have studied the hearings on this bill as well as the hearings from past years and there are several questions which have arisen in my mind about the operation of the State Department's Historical Division. I know the Appropriations Committee has been furnished considerable information on this question. However, from the printed record, it appears to me that this function of the State Department shows a consistent record of nonperformance in the publication of the diplomatic papers of past years.

I would like to review some of the record of this Division's activity—incidentally, an activity which requires a third

of a million dollars next year. On page 812 of the Appropriations Committee hearings for the fiscal year 1955, the Division's spokesmen made firm commitments that the volumes of diplomatic papers for the World War II conferences at Malta-Yalta, the first and second Cairo Conferences, and the Teheran meeting would be published in fiscal year 1955. With the exception of the Malta-Yalta volume, the records of these conferences still are not published.

From the hearings on the bill for fiscal 1959, it appears that the records of the Potsdam Conference is still in the manuscript stage and those of Cairo and Teheran only in the galley-proof stage. This means, I believe, that the required clearances by individuals and other governments probably has not begun. A logical question is why has this work bogged down—particularly in view of the commitment that the volumes were to have been published 2 years ago?

Comparing the record of what was promised in 1954 and what has been produced, the same line of delay is obvious. Two volumes of the papers of the conferences at Washington, Quebec, and Casablanca were promised for fiscal year 1956. Yet in the hearings 3 years later we see that these volumes are represented as still in the process of being compiled. In other words, they have not yet been put into galleys and have not even started the clearance process. Therefore, the clearance problem cannot be accepted as a valid excuse for the nonperformance of the Historical Division.

To go on with the Historical Division's record, in the same hearings for fiscal year 1955, it was promised that in fiscal year 1956, four volumes of diplomatic papers on our relations with China from 1943–46 would be published. These volumes were not published in fiscal year 1956 and there is no indication today when they may appear. The Historical Division in the hearings also promised to publish in fiscal year 1957, three volumes on our relations with China from 1947–49. These have not appeared. The entire China series from 1942 through 1949 was to have been completed in fiscal year 1957. Only the papers for 1942 have seen the light of publication.

I cannot find any mention of the missing volumes of the China series in this year's hearings. They seem to have mysteriously disappeared and the project abandoned. One can only conclude that the diplomatic record of our relations with China has been blacked out. Have the papers been processed to the galley proof stage where clearance could begin? Have foreign governments been asked to clear any of the papers and, if so, have they given their clearances in some instances?

Going back into the hearings, on page 263 of the hearings for fiscal 1958, the Chief of the Historical Division advised the committee, "We have a program which anticipates the publication of 8 volumes this year and 10 volumes in the next fiscal year, or 18 volumes." Instead of 8 volumes in fiscal 1957, it appears 4 were published. In fiscal year 1958, one volume of diplomatic papers was published. Thus, instead of 18 volumes called for in the justification for funds, 5 were actually published.

I believe the publication cost for each of these volumes is something in excess of $10,000. Regardless of the valid question of the withholding of information they contain, there is a considerable sum appropriated for the 13 volumes for which the State Department committed itself and which have not appeared.

We read in the hearings this year that the rate of production of the Historical Division is "reasonable" in the opinion of the State Department. If this "reasonable" rate continues at its present pace, we can expect a complete blackout of publication next year. It appears that we will see again this year the reprinting of material already published in the State Department bulletin as a substitute for the diplomatic papers publications program for which these funds are intended.

The Historical Division has fallen very far short of meeting its declared publication schedule. Twenty-eight volumes had been allowed to pile up in the Historical Division up to 1953. This backlog now appears to have grown to about 40 volumes. Two questions arise: Is this a breakdown in the administration of the Division resulting from a failure to obtain clearances for volumes already compiled? If not, is the failure a deliberate or calculated policy of the Department?

Until these questions are answered satisfactorily, I urge that we serve notice on the State Department and make clear that it is the intent of Congress that these records should be published without any more delays or, if such is the case, suppression. Another third of a million dollars for the production of the State Department's Historical Division does not seem justified to me until we can see that the money is being used for what was intended when the sum was approved here.

Mr. ROONEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I wonder if the distinguished gentleman from Ohio [Mr. HENDERSON], is accusing the Secretary of State, Mr. Dulles, and the top officials of the State Department of a conspiracy in refusing to bring to the surface certain facts with regard to these treaties? They have had full and exclusive control of this program for the past 5 years. They have been given every dollar they have asked of the Congress for the publication of these volumes. Is that the point the gentleman is trying to make?

Mr. HENDERSON. Mr. Chairman, will the gentleman yield?

Mr. ROONEY. I gladly yield.

Mr. HENDERSON. I am pointing to the fact that there has been none published, and that is not due to the fact that we have not appropriated funds.

Mr. ROONEY. Cannot the Congress trust the Secretary of State and the top officials of the State Department to carry out their work in this regard, and not cover up for anyone?

Mr. HENDERSON. It is also the right of the Congress to see that funds are properly used and to investigate their work before allotting additional funds.

Mr. ROONEY. We have had extensive hearings on this subject. As a matter of fact, we had a full investigation by the committee staff a year or so ago. A great many loose statements have been thrown around by a discharged and disgruntled employee who happens to be a hero of a certain midwestern isolationist newspaper. Neither the State Department nor the members of this committee, both majority and minority, believe that there is very much to this.

Mr. Chairman, I yield back the balance of my time.

Mr. MULTER. Mr. Chairman, it is appropriate that in connection with the enactment of appropriations for the State Department, attention be directed to the administration of that Department.

It is putting it mildly to say that both in its policymaking and in its execution of policy there can be much improvement. No program can be successful unless properly administered, and every dollar appropriated will be wasted unless we do get better administration.

I cannot believe that the files of our State Department are not and were not filled with reports, all foreshadowing the sad events on the international scene about which we have every right to complain.

While we are made monkeys of, our State Department sees nothing and hears nothing, and what it says amounts to nothing.

The column written by Walter Lippmann which appeared in the Herald Tribune of May 15, 1958, succinctly expresses what most of us are thinking.

For instance, he said:

> Once the Vice President and his wife are back home, and after all the official regrets and apologies have been received and accepted, the immediate question before us is how it happened that the Nixons were exposed to these outrages. It is manifest that the whole South American tour was misconceived, that it was planned by men who did not know what was the state of mind in the cities the Vice President was to visit. For what has happened should never have been allowed to happen, and those who are responsible for the management of our relations with South America must answer to the charge of gross incompetence.
>
> It is essential that this charge be investigated either by the Foreign Relations Committee of the Senate, or, perhaps preferably, by a panel of specially qualified private citizens. We must fix and we must correct the causes which led our officials into this fiasco—into what it would not be exaggeration to call a diplomatic Pearl Harbor. Unless and until this is done, there is no chance that we shall profit by the lessons of this bitter experience. We must know why the planners of the trip were so ignorant, so ignorant about so many countries, so ignorant of what it is suitable and what it is not suitable for the Vice President of the United States to do when he goes abroad.
>
> Before we can do anything to improve our position in Latin America, we must deal with those who have made such a mess of our position.

The situation in Latin America is as bad as it is in other parts of the world. With reference to the situation in the Middle East, Mr. Lippmann said:

> It is almost certainly a coincidence that simultaneously there are crises in Lebanon

and in Algeria and that in each there have been violent manifestations against the United States. In South America the hostility which has been shown is directed primarily at our own acts of omission and commission. In Lebanon and in Algeria we are not principals but are entangled in the quarrels of others.

About Lebanon the evidence is not clear but there are grounds for suspecting that there are Syrians and Egyptians who are intervening in a bitter internal struggle which centers on the reelection of President Chamoun. There are reports that as many as 500 have infiltrated themselves into Lebanon. The violence they are perpetuating has a strong resemblance to the raids—for the present suspended—against Israel.

So far as we are concerned, it is clear enough that the Eisenhower doctrine, which has a lot of fine print underneath its resounding declarations, does not apply. The Lebanese case is one for the United Nations, it may be for a special session of the General Assembly.

The events in Algeria are the most important of all. They may well be the central crisis in the North African story, the crisis which leads either to catastrophe or to the beginning of recovery. Until now there has never been a government in Paris which was strong enough to win the Algerian war or strong enough to negotiate a settlement of the war. The center parties in France, which lie between the Communists on the left and the semi-Fascists on the right, have been paralyzed by a very powerful minority composed of the French settlers in Algeria, the vested interests in France which do business there, and portions of the French Army.

In the present crisis, the adventurous and extremist wing of this minority have seized power in Algeria and are attempting to impose their Algerian policy on the government in Paris. It is hard to see how this issue can be compromised, as it was a little while ago when the Tunisian town of Sakiet-Sidi-Youssef was bombed and the Paris government did not dare to disavow the act. For then the defiance of the French Government was concealed. Now the defiance is open and avowed.

So there is at issue now the sovereignty of the French Republic.

I hope that the State Department will learn from the lessons of the last few days.

The Clerk concluded the reading of the bill.

Mr. ROONEY. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with an amendment adopted in the Committee of the Whole with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the Committee rose, and the Speaker having resumed the chair, Mr. THORNBERRY, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H. R. 12428, making appropriations for the Departments of State and Justice, the Judiciary, and related agencies for the fiscal year ending June 30, 1959, and for other purposes, had directed him to report the same back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

Mr. ROONEY. Mr. Speaker, I move the previous question on the bill and the amendment thereto to final passage.

The motion was agreed to.

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

The bill was ordered to be engrossed and read a third time and was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken, and the Speaker announced that the ayes appeared to have it.

Mr. WILLIAMS of Mississippi. Mr. Speaker, I object to the vote on the ground that a quorum is not present and I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 320, nays 51, not voting 58, as follows:

[Roll No. 60]

YEAS—320

Adair	Curtis, Mo.	Hosmer
Addonizio	Davis, Tenn.	Hull
Allen, Calif.	Dawson, Ill.	Hyde
Allen, Ill.	Dawson, Utah	Ikard
Andersen, H. Carl	Delaney	Jackson
Anfuso	Dellay	Jarman
Arends	Dennison	Jensen
Ashley	Denton	Johnson
Aspinall	Derounian	Jonas
Avery	Devereux	Jones, Ala.
Baker	Diggs	Jones, Mo.
Baldwin	Dingell	Judd
Baring	Dixon	Karsten
Barrett	Dollinger	Kean
Bass, N. H.	Donohue	Kearns
Bass, Tenn.	Dooley	Keating
Bates	Dorn, N. Y.	Kelly, N. Y.
Baumhart	Doyle	Keogh
Beamer	Durham	Kilburn
Becker	Dwyer	Kilday
Beckworth	Eberharter	Kilgore
Belcher	Engle	King
Bennett, Mich.	Evins	Kirwan
Bentley	Fallon	Kluczynski
Berry	Farbstein	Knox
Betts	Fascell	Krueger
Blatnik	Feighan	Laird
Boggs	Fino	Lane
Boland	Flood	Lankford
Bolling	Fogarty	Latham
Bolton	Forand	LeCompte
Bosch	Ford	Lesinski
Bow	Frazier	Libonati
Boyle	Frelinghuysen	Lipscomb
Bray	Friedel	McCarthy
Breeding	Fulton	McCormack
Brooks, Tex.	Garmatz	McCulloch
Broomfield	Gary	McDonough
Brown, Ohio	Gavin	McFall
Brownson	George	McGovern
Broyhill	Glenn	McGregor
Budge	Gordon	McIntire
Burleson	Granahan	McIntosh
Bush	Gray	Macdonald
Byrne, Pa.	Green, Oreg.	Machrowicz
Byrnes, Wis.	Green, Pa.	Mack, Ill.
Canfield	Griffin	Mack, Wash.
Cannon	Griffiths	Madden
Carnahan	Gubser	Magnuson
Cederberg	Hagen	Mahon
Celler	Hale	Mailliard
Chamberlain	Halleck	Marshall
Chelf	Harden	Martin
Chenoweth	Hardy	May
Chiperfield	Harris	Meader
Christopher	Harrison, Nebr.	Merrow
Church	Harvey	Metcalf
Clevenger	Haskell	Michel
Coad	Hays, Ohio	Miller, Calif.
Coffin	Healey	Miller, Md.
Collier	Henderson	Miller, Nebr.
Corbett	Heselton	Miller, N. Y.
Coudert	Hess	Mills
Cretella	Hiestand	Minshall
Cunningham, Iowa	Hill	Montoya
Cunningham, Nebr.	Hoffman	Moore
Curtin	Holifield	Morano
Curtis, Mass.	Holland	Morgan
	Holmes	Morrison
	Holt	Moss
	Holtzman	Moulder
	Multer	Robison, N. Y.
	Mumma	Robsion, Ky.
	Natcher	Rodino
	Neal	Rogers, Colo.
	Nicholson	Rogers, Mass.
	Nimtz	Rooney
	Norblad	Roosevelt
	Norrell	Rutherford
	O'Brien, Ill.	Sadlak
	O'Brien, N. Y.	Santangelo
	O'Hara, Ill.	St. George
	O'Hara, Minn.	Saund
	O'Neill	Saylor
	Osmers	Schenck
	Ostertag	Scherer
	Passman	Schwengel
	Patman	Scott, Pa.
	Patterson	Scrivner
	Pelly	Scudder
	Perkins	Seely-Brown
	Pfost	Sheehan
	Philbin	Shelley
	Pillion	Sieminski
	Polk	Simpson, Ill.
	Porter	Simpson, Pa.
	Preston	Sisk
	Price	Smith, Calif.
	Prouty	Smith, Va.
	Quie	Spence
	Rabaut	Springer
	Ray	Staggers
	Reece, Tenn.	Stauffer
	Reed	Steed
	Rees, Kans.	Sullivan
	Reuss	Taber
	Rhodes, Ariz.	Talle
	Riehlman	Teague, Calif.
		Teller
		Tewes
		Thomas
		Thompson, N. J.
		Thompson, Tex.
		Thomson, Wyo.
		Thornberry
		Tollefson
		Udall
		Ullman
		Utt
		Vanik
		Van Pelt
		Van Zandt
		Vinson
		Vorys
		Vursell
		Wainwright
		Walter
		Watts
		Weaver
		Westland
		Wharton
		Widnall
		Wier
		Wigglesworth
		Williams, N. Y.
		Wilson, Calif.
		Wilson, Ind.
		Withrow
		Wright
		Yates
		Young
		Younger
		Zablocki
		Zelenko

NAYS—51

Abbitt	Fisher	Mitchell
Abernethy	Flynt	Murray
Andrews	Forrester	O'Konski
Ashmore	Gathings	Pilcher
Bailey	Grant	Poff
Bennett, Fla.	Haley	Rains
Blitch	Harrison, Va.	Roberts
Boykin	Hemphill	Robeson, Va.
Brown, Ga.	Herlong	Rogers, Fla.
Byrne, Ill.	Huddleston	Selden
Colmer	Johansen	Sikes
Cramer	Landrum	Siler
Davis, Ga.	Loser	Smith, Miss.
Dorn, S. C.	McMillan	Tuck
Dowdy	McVey	Whitten
Elliott	Mason	Williams, Miss.
Everett	Matthews	Winstead

NOT VOTING—58

Albert	Edmondson	Morris
Alexander	Fenton	Poage
Alger	Fountain	Powell
Anderson, Mont.	Gregory	Radwan
Auchincloss	Gross	Rhodes, Pa.
Ayres	Gwinn	Riley
Barden	Hays, Ark.	Rivers
Bonner	Hébert	Rogers, Tex.
Brooks, La.	Hillings	Scott, N. C.
Brown, Mo.	Hoeven	Sheppard
Buckley	Horan	Shuford
Burdick	James	Smith, Kans.
Byrd	Jenkins	Taylor
Carrigg	Jennings	Teague, Tex.
Clark	Kearney	Thompson, La.
Cooley	Kee	Trimble
Dague	Kitchin	Whitener
Dent	Knutson	Willis
Dies	Lafore	Wolverton
	Lennon	

So the bill was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Auchincloss.

Mr. Jennings with Mr. Taylor.

Mr. Anderson of Montana with Mr. Fenton.

Mr. Fountain with Mr. Carrigg.

Mr. Alexander with Mr. Gross.

Mr. Scott of North Carolina with Mr. Hillings.

Mr. Rhodes of Pennsylvania with Mr. Hoeven.

Mr. Dent with Mr. Kearney.

Mr. Whitener with Mr. Wolverton.

Mr. Rogers of Texas with Mr. Smith of Kansas.

Mr. Riley with Mr. Gwinn.

Mr. Gregory with Mr. Ayres.

Mr. Trimble with Mr. Horan.

Mr. Hays of Arkansas with Mr. Dague.

Mr. Lennon with Mr. Burdick.

Mr. Sheppard with Mr. Radwan.

Mr. Thompson of Louisiana with Mr. James.
Mr. Willis with Mr. Jenkins.
Mr. Teague of Texas with Mr. Lafore.
Mr. Albert with Mr. Alger.

Mrs. BLITCH changed her vote from yea to nay.

Mr. JOHANSEN changed his vote from yea to nay.

A motion to reconsider was laid on the table.

The doors were opened.

GENERAL LEAVE TO EXTEND REMARKS

Mr. ROONEY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks on the bill just passed, and include extraneous matter, as well as with regard to the distinguished gentleman from Ohio [Mr. CLEVENGER].

The SPEAKER. Is there objection?

There was no objection.

FURTHER MESSAGE FROM THE SENATE

A further message from the Senate, by Mr. McGown, one of its clerks, announced that the Senate insists upon its amendments to the bill (H. R. 7785) entitled "An act to provide for the appointment of an additional judge for the Juvenile Court of the District of Columbia" disagreed to by the House; agrees to the conference asked by the House on the disagreeing votes of the two Houses thereon, and appoints Mr. CLARK, Mr. BIBLE, and Mr. JAVITS to be the conferees on the part of the Senate.

CIVIL RIGHTS DIVISION OF THE DEPARTMENT OF JUSTICE

Mr. VANIK. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. VANIK. Mr. Speaker, I am happy that the effort to amend this bill, H. R. 12428, by striking out the appropriation of $342,000 for the Civil Rights Division of the Department of Justice was defeated.

How many times must this Congress act to make clear its determination to carry through on the Civil Rights Act of 1957? The Civil Rights Division of the Justice Department must be adequately staffed to handle the civil rights matters which must be reviewed and prepared in accordance with the Civil Rights Act. Otherwise the civil rights legislation would be meaningless on the statute books.

As a matter of fact I am among those who doubt whether this modest appropriation will be sufficient to do the job.

FORTIETH ANNIVERSARY OF AIRMAIL SERVICE

Mr. FASCELL. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. FASCELL. Mr. Speaker, today is the 40th anniversary of the establishment of airmail service. The Post Office Department will by appropriate ceremonies commemorate the occasion.

One of the honored participants is a friend from Miami Springs, Fla. He rightfully deserves the recognition which will be accorded him.

Forty years ago a young Army second lieutenant, James C. Edgerton, putt-putted down an airfield at Bustleton, near Philadelphia, in a small, rickety Army Curtis JN 4H airplane, left the ground and headed his "Jenny" toward the Nation's Capital, carrying the world's first airmail.

His log shows that he carried aboard the "Jenny" a single 20-pound sack of airmail and that the trip was accomplished without major difficulty in 1 hour and 50 minutes. May 15, 1918, was not only the beginning of airmail service but was, too, the actual start of world air transportation. Started by the Army, the service was taken over by the United States Post Office Department, 3 months later, and Edgerton became the first superintendent of flying operations. He resigned from the Army in December 1918 to accept this position and served in this capacity for 1½ years.

Today, at 62, Colonel Jim is a sprightly, retired lieutenant colonel. He makes his home at 1085 Ludlum Drive, Miami Springs. He is an aviator at heart and is an active leader in air and civil affairs and in military Reserve activities in the ever air-minded community of Greater Miami, Fla. Before leaving Miami for an air trip to Washington, D. C., to take part in ceremonies celebrating the 40th anniversary of airmail service, Colonel Jim summed up his feelings about the event in just one sentence:

A fellow is awful lucky to get in on the ground floor of something like this.

The district I represent also takes part in this commemorative event since, in 1927, a plane carried the first international airmail from there to Cuba. Two years afterward, Charles Lindbergh took off from there to carry the first airmail to the Canal Zone.

From the "ground floor" event by James C. Edgerton to the present is a short span of time. Yet the world has been crisscrossed by airmail service and air traffic patterns. Great distances have shrunk to a matter of hours. The world is on the threshold of interplanetary travel.

Yes, James C. Edgerton is indeed fortunate for having been on the "ground floor" of this new era for mankind. We of Greater Miami and Florida are happy and proud to join in congratulating him and participating in the commemoration event.

CENTRAL INTELLIGENCE AGENCY

Mr. FRELINGHUYSEN. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. FRELINGHUYSEN. Mr. Speaker, a few hours ago I had the pleasure—along with thousands of others from the Washington area—of welcoming the Vice President of the United States and Mrs. Nixon at the airport. The Nation quite rightly rejoices in their safe return. Once again we have had solid proof of the Vice President's courage, his dignity, his commonsense, and his unflagging devotion to his duties. Both he and Mrs. Nixon deserve our unqualified thanks on their successful completion of a trip frought with real danger.

The violence which broke out in several countries which the Vice President and Mrs. Nixon visited has naturally made headlines throughout the world. That the Communists played an active part in these disturbances is evident, but as yet we do not know enough to assess the entire significance of these events.

In any case some of these disturbances must have been anticipated. In fact, newspapers here in the United States indicated that the Vice President was headed for trouble. How much did our intelligence services know, and if they expected violence why were not more adequate precautions taken? Was there in fact a failure in the functioning of our intelligence services, a failure which resulted in physical danger to the lives of the Vice President and Mrs. Nixon?

As yet we lack any clear indication of what answers there may be to such questions. Whatever the facts may be, the recurring danger to which the Vice President was subjected suggests a dangerous lack of foreknowledge. It is for that reason that I have today introduced a bill (H. R. 12534) to establish a joint Congressional Committee on Foreign Intelligence.

A number of similar bills have been introduced previously, but there is still no continuing group in Congress which is kept fully and currently informed of the foreign intelligence activities of our Government. This lack, in my opinion, should be remedied promptly. In today's unsettled world we not only must have a superior intelligence organization, we in Congress need to be kept currently informed of its inadequacy. Because of its general interest, I would like to close by recommending to my colleagues the following article in the April issue of Harper's magazine. This article by Warren Unna is entitled "CIA: Who Watches the Watchman?" The article is as follows:

CIA: WHO WATCHES THE WATCHMAN?

(By Warren Unna)

The Central Intelligence Agency—the peacetime successor to World War II's Office of Strategic Services, for espionage, counterintelligence, and cold-war operations—celebrated its 10th birthday last fall still remaining the only major United States Government agency entirely free of Congressional scrutiny.

Its Director, Allen Welsh Dulles, believes it can remain effective only so long as it enjoys absolute security from Congressional as well as public probing, and thus far he has been able to convince the Congress that he is right.

"In intelligence you have to take certain things on faith," he declared a few years ago. "You have to look to the man who is directing the organization and the results he achieves. If you haven't someone who can be trusted, or who gets results, you'd better throw him out and get somebody else."

In the first part of his statement, Dulles was on sure ground. At 64 he is one of the least criticized and most admired men—both personally and professionally—in Washington. He is also, in the best and truest sense, a professional spy who has devoted almost as much time to gathering intelligence for his country as to the profession for which he was trained: law. Proof of his success as chief of operations in Switzerland for the OSS in World War II was the citation given him after the war by President Truman for, among other things, establishing contact with the German Army in northern Italy and arranging its surrender.

The difficulty lies in the second part of the statement—the matter of results. In an organization like CIA no one on the outside really knows what results it gets. Even if the few bits of news about its purported successes and failures that trickle out from time to time are true, they represent only the minute visible surface of the vast iceberg underneath. They can hardly be indicative of CIA's huge day-to-day operation.

For this reason, Senator MIKE MANSFIELD, of Montana, has, on three occasions, introduced bills calling for a joint Congressional watchdog committee over CIA. The last of these was decisively defeated in April 1956—while MANSFIELD was still in his freshman term—for a variety of reasons, not all of them entirely pertinent.

It was not a matter of Republicans versus Democrats, but of all the professionals being on one side. Says MANSFIELD in retrospect, "What you had was a brash freshman going up against the high brass. I got a good education." He did not reintroduce his bill in 1957, and he won't this year—unless he is pretty sure he has the Senate "club" with him.

Meanwhile, for good or bad, CIA goes its way responsible only to the executive branch, through the National Security Council, its parent, and the Bureau of the Budget, its accountant. And only the executive branch can truly evaluate its performance.

Director Dulles contends that the Congress can question anything it desires through the five-man subcommittees of the Senate and House Appropriations Committees. But when he ascends Capitol Hill once or twice a year to appear before these usually avid investigators, his discussion of CIA's budget (which is secret but currently estimated at anything from $100 million to $1 billion annually), manpower (estimated at anywhere from 3,000 to 30,000), and policy is pretty much brushed aside by such reverently put questions as, "The Commies still giving us a rough time, Allen?" Whatever paperwork is presented is carefully gathered up as the legislators adjourn. Congressional homework is apparently neither desired nor possible.

Senator LEVERETT SALTONSTALL of Massachusetts, a member of one of these quintets, made his attitude plain on the Senate floor in April 1956 when, in opposing the Mansfield bill, he said: "The difficulty in connection with asking questions and obtaining information is that we might obtain information which I personally would rather not have."

His words were echoed by Senators RICHARD RUSSELL, of Georgia, and CARL HAYDEN, of Arizona, who also are members of the Appropriations Committee quintet.

One of the Senate's leading liberals, speaking off the record, explained his own opposition by stating bluntly that he didn't think his colleagues could be trusted with such secrets—a point of view not too far from the President's, as described by Senator STYLES BRIDGES, of New Hampshire, in an interview.

"He said it was too dangerous for Congress to take up."

In acting as its own watchdog, not only in its use of manpower and public funds but in seeing to it that its foreign operations neither contradict nor negate the foreign policy of the United States, CIA is in a unique position. Its British counterpart is directly answerable to Cabinet officers, who in turn are answerable to Parliament.

Since CIA Director Allen Welsh Dulles is the only brother of Secretary of State John Foster Dulles, it might be argued that any disagreements on policy that arise can be ironed out within the family. But the Dulles brothers will not always be behind the counter, and those who think CIA needs a closer watch wonder if in any case this is the way to run the store.

WHO GETS THE SECRETS?

Senator MANSFIELD has made clear that his desire for a watchdog committee is not to make an embarrassing exposé of CIA personnel, but to get a check and balance on the organization in view of certain questions which have arisen out of CIA's activities. There is, for example, the question of a lack of coordination, and perhaps the presence of competition, between CIA, the intelligence branches of the Army, Navy, and Air Force, and the FBI.

In a sense, CIA is fighting history in trying to become an overall agency that digests the traditional interservice rivalry of Army, Navy, and Air Force intelligence. It is also fighting the old American tradition against peacetime spying, epitomized by the late Henry L. Stimson when he was Secretary of State for President Hoover. Stimson abolished the black room, a small, secret section of his department which broke foreign codes, with the crisp and famous comment:

"Gentlemen do not read other people's mail."

But at the end of World War II, with Pearl Harbor still fresh in the memory, the country's leaders decided that tradition must be modified to suit the times.

Accordingly, CIA was established by the National Security Act of 1947. This provided that a National Security Council—headed by the President and including the Vice President, the Secretaries of State and Defense, and what has now become the Director of the Office of Defense Mobilization—should appraise and set overall strategic policy with the advice of the Director of CIA.

Dulles is the third Director CIA has had and the first civilian. He was preceded by Rear Adm. Roscoe H. Hillenkoetter—who stayed in office 3 years before he was reassigned, at his own wish, to the Navy—and Gen. Walter Bedell Smith—General Eisenhower's able chief of staff in Europe, who went on to be become Under Secretary of State and who differs, according to Senator MANSFIELD, from Dulles in being very much in favor of a watchdog committee.

Although Dulles has apparently been successful in weeding out many of the retired officers who latched onto soft berths at CIA stations in Europe during the Agency's first years, the military still heads most of CIA's secondary posts and there are hundreds of military officers throughout the organization. One of the Agency's biggest administrative headaches is the continuing tendency of the various military intelligence branches to operate individually, ignoring each other's efforts and, particularly, CIA's.

This unhappy state of affairs was underlined last November by Senate Majority Leader LYNDON JOHNSON of Texas as he emerged from a closed-door briefing with Allen Dulles on the Nation's missile program and grimly announced that it was "desirable in the national interest to take a good look at certain procedures, at the coordination between the CIA and the services and the Congress."

Dulles is exceedingly reluctant to admit that all is not harmony. He regards his function as one of coordination, not subordination, and believes that the rivalry is getting less. But it was not too many years ago that CIA queried all its foreign stations in Europe in at attempt to get hold of a special piece of metal tubing made by the Russians. An aircraft manufacturer, hearing of the search, mentioned it to a friend of his in Navy intelligence. The Navy man pulled out his top desk drawer, indicated that there were enough duplicates of the sought piece to spare one for CIA, and then asked his friend please not to disclose the source when he carried the tubing back across the Potomac to CIA headquarters.

AND ALSO, THE FBI

CIA's relations with the Federal Bureau of Investigation have also been strained. The FBI, unlike CIA, is under Congressional scrutiny. It is directly responsible to the Attorney General, whose Justice Department must answer to the Congressional Judiciary and Appropriations Committees. Moreover, the FBI's budget and manpower figures are public. The FBI's primary responsibility is to investigate for Department of Justice prosecutions—including domestic counterespionage cases. Yet the June 1940 "delimitation agreement," a directive from President Roosevelt, charged the FBI with gathering foreign intelligence in the Western Hemisphere. (The Army was assigned Europe and the Canal Zone; the Navy, the Pacific.) The FBI took on its new assignment with such gusto that there were said to be more FBI agents than diplomats in Latin America by the time this country entered World War II, one and a half years later.

Former FBI agents have indicated that Director J. Edgar Hoover regards Dulles' CIA as a considerable departure from his concept of a clean-cut, eyes-straight-ahead, investigating agency, and sees to it that it is given only "token compliance." The Hoover conception is reported to be that CIA is replete with white shoes—scions and good families who have been graduated from Ivy League colleges—and a bit on the undisciplined, left-wing side. As a matter of fact, CIA does have its share of good-family, good-college graduates. And there is a bit in the Agency's orientation talk for new employees which describe CIA as a means for the "intellectually elite" to contribute to government without having to be immersed in politics.

But Hoover also has a more immediate beef with CIA. The Agency's pay and working conditions are considered far choicer than the FBI's and Director Hoover was not overcome with joy when a good many of his personnel began defecting. A no-raiding pact with Dulles has since been arrived at. And while the FBI is charged with all domestic security, Hoover deferentially asked Dulles to do the security clearing of his own personnel hereafter.

Dulles is said to insist that the FBI–CIA jurisdictions are clearly differentiated, that he receives many reports from the FBI daily, that an FBI represenative sits on his Intelligence Advisory Committee, and that he has no complaints regarding Mr. Hoover.

But Congressmen recall the Donnybrook up in Seattle 4 years ago when Johns Hopkins professor Owen Lattimore was reported to be on the verge of jumping the country while under Federal indictment for perjury. The public never learned whether CIA had misinformed the FBI, or vice versa. But Lattimore never went anywhere, his indictment was eventually quashed by the United States Court of Appeals, and the two CIA agents involved declined to appear in a

Seattle court to testify against a travel agent who had been charged with making false statements regarding Lattimore's movements.

There is also the incident of the west coast manufacturer who, in addition to producing military parts for the Defense Department, decided to contribute some intelligence he had gleaned from a satellite embassy contact in Washington. He took his information to the office of Vice President NIXON, whence it was relayed to the FBI. But the manufacturer had made the mistake of borrowing a CIA friend's car for his mission. The FBI, the manufacturer related, seemed only too eager to presume the CIA man was somehow mixed up with the satellite embassy; FBI agents burst in on his unsuspecting friend in the middle of the night and, failing to get his confession, proceeded to put a check on the manufacturer's letters. The manufacturer had no doubt of the latter because a tag was carelessly left on one of his envelopes declaring his house was subject to mail check by the FBI.

There have been further difficulties over CIA's relations with another part of the Department of Justice—the Immigration Service. Washington is still chuckling over the comic opera performed at its fashionable Three Musketeers Restaurant (now renamed Chez François) in 1949 when teams of CIA and Immigration agents began pummeling each other. CIA was in the Three Musketeers to see that an escaped Russian pilot was not kidnaped by Soviet agents during a rendezvous; Immigration, to arrest the escapee for deportation. Neither knew about the other and both suspected the worst. The Americans ended up with bloody noses and bruises, the pilot with immigration handcuffs which the CIA couldn't remove, and the real Russian agents, of course, quietly slipped out.

COUPS AND COUPS D'ETAT

A second problem which Mansfield raises is the difficulty of appraising how effective CIA really is. From what the uninformed can tell, the agency scored its greatest coup early in 1956 when it obtained from Polish and Yugoslavian sources the mammoth text of Khrushchev's fantastic closed-door denunciation of Stalin and Stalinism. CIA got the text 6 weeks to 2 months after the speech had been delivered, but long before the Kremlin had decided how it was to be edited for satellite and outside-world consumption. It may have cost a king's ransom, but its publication pretty well demolished the Communist movement in the United States and brought disillusion and disaffection to most of the Communist movements in free Europe, especially in Italy and France.

CIA is also generally credited with helping to overthrow the Communist regime in Guatemala and bring in the late President, Carlos Castillo Armas; with helping to clip the Wings of Iranian Premier Mohammed Mossadegh; and with encouraging Premier Naguib in Egypt once King Farouk had been forced out. (However, Naguib has since yielded to Nasser, and CIA quite obviously doesn't want to take credit for him.)

But these accomplishments in turn raise other questions which MANSFIELD feels the Congress should consider: Is CIA determining American foreign policy? Has clandestine assistance to coups d'etat become necessary to counter the overt and clandestine assistance Russia has been dispensing?

The general public is for the most part ignorant of these problems. The Senators and Congressmen who know or suspect are skittish about facing up to them. The National Security Act of 1947 gives license to such cold-war activity in a 25-word paragraph which states that one of the purposes of CIA shall be "to perform such other functions and duties related to intelligence affecting the national security as the National Security Council may from time to time direct."

This seems to create the potential for a dual foreign policy. Suppose, for instance, an ambassador preoccupied with economic matters takes little interest in the local CIA personnel, and the personnel, charged with both writing intelligence reports and performing cold-war activities, condition the reports and thereby the Ambassador's decisions?

CIA men hold that it is impossible for the agency to diverge from official foreign policy, because all of its cold-war missions first go through a secret committee appointed by the National Security Council, at the under secretary level, where various administrative agencies give the nod. But without specific data from CIA, Congressmen are hard pressed to pass judgment on how well this works.

They might recall one example of a dual foreign-policy situation on the Burma-China border in 1951 when Nationalist Chinese troops were brought into Burma to harass the Chinese Communists in Yünnan Province. The maneuver soured. The Nationalist troops decided they could make a better living growing opium, and some of them have been bunked down in North Burma doing just that ever since. Burma was embarrassedly forced to cancel her American aid program. And the United States Ambassador, David M. Key, resigned in disgust.

Key declares: "I had heard persistent reports that Americans were taking part when I was sent there. I found that hard to credit, but learned differently later."

CIA disavows any part in the incident, declaring the Chinese Nationalist troops were dispatched to the Burmese border by Chiang Kai-shek himself. Others, however, contend CIA was indeed the instrument of the Burma maneuver; but that the agency was merely dutifully carrying out a scheme hatched by one of the State Department's top-policy planners.

There was another episode in September 1955 when a CIA agent took it upon himself to seek out the Egyptian President, Gamal Abdel Nasser, and advise him to ignore a forthcoming State Department note. The note, an attempt to limit Nasser's purchase of arms from Communist Czechoslovakia to a one-shot deal, was deemed sufficiently important for the then Assistant Secretary of State for Middle East Affairs, George Allen, to fly to Cairo and deliver it in person. The CIA man, however, was disturbed by the State Department's attempts to pressure Nasser, in contrast to the pro-Nasser attitude of then Ambassador Henry A. Byroade, and decided to play Secretary of State on his own. He notified Byroade of what he was about to do, but the State Department in Washington was not given this courtesy. And it was too late to prevent Allen from arriving in Cairo and finding the ground had been cut out from under him.

HOW MUCH DO THEY KNOW?

On the espionage side, Senator MANSFIELD contends that this country was caught flatfooted in the Polish and Hungarian uprisings, in the Middle East outburst that resulted in the closing of the Suez Canal, and, more recently, in the Kremlin shakeup which ousted Molotov, Malenkov, Kaganovich, and Shepilov.

In this regard, Allen Dulles said somewhat whimsically to an advertising council meeting in San Francisco last September: "I am the head of the silent service and cannot advertise my wares. Sometimes, I admit, this is a bit irksome. Often we know a bit more about what is going on in the world than we are credited with, and we realize a little advertisement might improve our public relations."

What he was too tactful to point out was that the best reports in the world are of little use if nobody reads them. Apparently he was more open at a top-secret National Security Council meeting at the turn of this year when he complained to the President that the administration ignored CIA findings. Eisenhower reportedly showed great annoyance at this, announcing that the reports were too ponderous to read and asking that henceforth CIA append maps, with red arrows pointing to strategic points, and headline summaries to its daily intelligence digests. CIA resignedly set several dozen of its personnel to the task of making its reports more readable.

Although CIA remains officially silent, on occasions for both criticism and praise, it is fairly reliably known that the Agency was aware of the pressures in both Poland and Hungary, even if its estimate to the National Security Council predicted Hungary, instead of Poland, would be the first to blow up.

In Suez, it was long suggested that Nasser might close the canal. But the policymakers in Washington decided to go on the assumption that he would not be that foolish. And as for what followed, U. S. News & World Report, a magazine which had previously published a signed article by Dulles, baldly stated that CIA delivered a top-secret report to the White House 24 hours before the Israeli attack, predicting it would be made against Egypt, not Jordan, as had been assumed, and that Britain and France would also establish beachheads in the canal area.

On the Kremlin shakeup, CIA either failed to anticipate the move, or official Washington was surprisingly numb for some days afterward when asked what to make of it.

In the more recent shakeup involving Marshal Zhukov, CIA reportedly told the administration that Zhukov was being boosted up, not down. Asked about this at his press conference, the President defended CIA, saying he didn't think any intelligence service could give a complete and positive answer.

In the field of scientific appraisals, such as Russia's progress in satellites and ballistic missiles, it is known that CIA predicted the Soviet success back in 1955—and was ignored.

On some occasions it is difficult to tell whether CIA intelligence was faulty, or CIA took the rap for some other agency. The classic example was during the Chinese Communist invasion of South Korea in November 1950. Gen. Douglas MacArthur had confidently assured President Truman that this would never happen. When it did, he accused both CIA and the State Department of holding out on him. President Truman replied that if MacArthur did not have the benefits of CIA reports at the time, it was because he did not let the agency operate in his command until recently. Mansfield, however, recalls CIA's first director, Rear Admiral Hillenkoetter, telling the House Foreign Affairs Committee in executive session that the Chinese Communists would never invade South Korea—just days before they did.

On another occasion, in April 1948, Gen. George Marshall, then Secretary of State, arrived in Bogotá for the ninth International Conference of American States just as a revolution broke out. The five-star general immediately went back to fundamentals and carefully deployed his troops—the dozen or so marines who happened to be in Bogotá at the time—to various ramparts around the embassy.

CIA Director Hillenkoetter told a subsequent House hearing that a lieutenant colonel attached to the State Department's division of international conferences had blocked CIA from cabling beforehand that the Communists were out to humiliate the United States delegation. According to Hillenkoetter, the State Department official had not thought it advisable to alarm Washington. The State Department replied that

it was inconceivable that such an official would have the authority to stop such a report.

DOLLARS AND CENTS

Because CIA keeps its budget and manpower figures under wraps, it is impossible to appraise the frequent charges of waste heard around Washington. Some waste charges Dulles will readily admit, on the argument that intelligence gathering is like drilling for oil wells: there will be a good many dry holes before you come up with a gusher. Of the Nation's nine intelligence organs—CIA, the Department of Defense's National Security Agency, the FBI, and those sections at the Army, Navy, Air Force, State Department, Atomic Energy Commission, and United States Information Agency (which likes to consider itself included)—CIA, as it is careful to point out, accounts for only one-eighth the total expenditures. The percentage teases, but still gives no inkling of the amount of money CIA has to spend.

There is one situation, however, where a budget figure is known, and that is for CIA's $56 million new headquarters in Langley, Va., where contracts are expected to be let by August.

The building will not actually cost $56 million, since $8,500,000 of this is to be used for improving access roads. But then neither is there assurance that all of CIA's X number of employees in some 34 buildings around Washington will be gathered under one roof. Congress ordered this consolidation when approving the sum, but Dulles has refused to promise anything more than that he will do his best. And the CIA director, who originally had hopes for a Princeton-like campus (his class is 1914), must now content himself with Spartan cement.

The Langley move has brought criticism from all over. Some State Department officials see it as a dreadful propaganda mistake to label any great new building spy headquarters. Dulles' desire to be no further than a 20 minute dash from the White House hardly coincides with the Office of Defense Mobilization directives to disperse beyond H-bomb distance of Washington. The residents of Virginia's still rural Fairfax County fought a long but unsuccessful battle to keep the second Pentagon from dragging suburbia into their peaceful rolling woods and pastures. Even Senate Minority Leader KNOWLAND of California, never known for his levity, was amazed when Dulles, pleading for his heart-set site in Virginia, assured Congress CIA could enjoy added security by having the Potomac form one of its borders. Quipped KNOWLAND to a colleague: "What's he afraid of? Attack by Indians?"

Dulles' security problems also brought a laugh a few years back when a known intelligence agent at the Soviet Embassy was spotted enrolling in a Georgetown University Slavic language class frequented by CIA employees.

A FOOT IN THE DOOR

Actually, four checks into CIA's activities have been conducted during the past 8 years—two at the instigation of the White House, two at the instigation of ex-President Hoover's Commission on Government Reorganization.

The first, in 1949, was conducted by a Hoover Commission task force headed by Ferdinand Eberstadt, the former Assistant Secretary of Defense who had helped to set up CIA. The Eberstadt report found CIA sound in principle, but in need of a top-level evaluation board whose responsibilities would not become bogged down in mere administrative detail.

The second check was in 1950 under a three-man administration committee headed by Allen Dulles, who at that time had left his wartime OSS duties to practice law on Wall Street. The Dulles committee reportedly found "much cause for dissatisfaction." General Smith was brought in to replace Admiral Hillenkoetter as director, and Smith asked Dulles himself to come down for what was naively thought to be merely a few weeks of consultation. Dulles ended up as CIA's Deputy Director for 2½ years, and then Director.

The third CIA check, in 1954 and again under the White House, was headed by Air Force Lt. Gen. James H. Doolittle. It praised CIA for doing a "creditable job." recommended in secret that certain changes be made, and complimented CIA for taking steps to remedy what shortcomings there were.

The Doolittle comments were published by the White House within days after the first meeting of the Hoover Commission's second task force headed by Gen. Mark W. Clark. The proximity was not thought accidental. Nor was it considered accidental a year later, in 1955, when the White House immediately adopted one of the Hoover Commission's recommendations—for a citizens' committee of consultants on foreign intelligence activities—and pointedly ignored its second—for a joint Congressional "watchdog" committee. The first is responsible to the President, and so within the administration family; the second would not be.

CIA employees were alerted months in advance for the arrival of the Clark task force. When the investigators finally appeared it was like barracks inspection in the Army; everything was a buzz of activity; specially-ordered maps and charts were unfurled; and the intra-office snicker was "snow job." Nevertheless, the Clark task force came up with definite conclusions and recommendations. Its main report went directly to the President. No copies were made and not even the 12 Hoover Commissioners dared look at it.

In the public section of its report, however, the Clark task force (1) declared that Director Dulles in his enthusiasm * * * has taken upon himself too many burdensome duties and responsibilities on the operational side of CIA's activities, and recommended a basic internal reorganization under an executive officer or chief of staff; (2) rapped the State Department for sometimes interfering with CIA intelligence gathering abroad out of an abhorrence to anything that might lead to diplomatic, or even protocol complications; (3) expressed great concern over the lack of adequate intelligence from behind the Iron Curtain, and clearly implied that the dossier on friends and neutrals was more complete than the one on enemies.

The full Hoover Commission, in recommending both the Presidential board of consultants and the Congressional watchdog committee, referred to the latter as a means of reestablishing that relationship between the CIA and the Congress so essential to and characteristic of our democratic form of government, but which was abrogated by the enactment of Public Law 110 (the National Security Act).

It was this last recommendation which Senator MANSFIELD picked up and tried to get through Congress. And the Senator emphasized that he thought the committee was necessary not just to supervise, but also to protect the agency from irresponsible attacks, such as the one launched by the late Senator Joseph McCarthy, of Wisconsin.

McCarthy and his helpmate, Roy M. Cohn, had made it plain that when their Senate Investigating Subcommittee was through with the Army it was going to move on to CIA. Without even waiting for the formal opening of that investigation, McCarthy, in the summer of 1935, tried to force Dulles to fire William P. Bundy, a top State Department official who had gone into CIA. For McCarthy's purposes, Bundy had endangered the Nation's security by contributing $400 to the Alger Hiss defense fund, and, possibly more heinous, had married Dean Acheson's daughter.

In the Bundy case, Dulles stood his ground, called McCarthy's bluff by asking for specifics which never came, and successfully rode the issue out. But MANSFIELD contends that attacks on CIA could arise in the future, perhaps hacking away at its budget as Congress, in a fit of pique, succeeded in doing with the United States Information Agency budget last summer. Should such an attack against CIA arise, MANSFIELD declares, a veteran group of legislators, familiar with CIA and its leadership, could then rally to its support.

WHAT THE WATCHDOG SHOULD BE

The Senator actually anticipated the Hoover Commission when he first proposed a CIA watchdog committee in July 1953. At that time his bill called for an 18-man group, nine from the Senate and nine from the House. But to placate those who thought this would be spreading secrets too far, he scaled the membership down to 12 in his later bill, specifying that 3-man groups should come from the Senate and House Appropriations and Armed Services Committees. The Appropriations Committees are the only one which now go through even the formalities of supervision, but top armed services members often belong to both committees, or sit in, at least on the Senate side. The House has never listed its CIA subcommittee members, and staff officials of the House Appropriations Committee, when asked, say they have no knowledge of the subcommittee's existence.

The Mansfield bill would also have provided a $250,000 annual budget for a committee staff. A staff is the mainstay of every Congressional committee, for staff personnel, not committee members, have the time to familiarize themselves with salient agency issues. And only a staff has the facilities to keep files on agency business, past and pending. Yet it is the staff idea particularly which is said to make Dulles balk. He is reported to feel that he would not be making unauthorized disclosures by discussing CIA matters with selected legislators, because they carry the mandate of the electorate. Professional staff members are another matter, especially since they might be recruited from disgruntled ex-CIA employees.

The one attempt so far at a watchdog group for CIA—the President's Board of Consultants on Foreign Intelligence Activities, established by Presidential Executive order in February 1956, in compliance with half of the Hoover Commission's recommendations—is headed by James R. Killian, Jr., president of the Massachusetts Institute of Technology and now the President's Special Assistant for Science, and includes such a distinguished roster of members as Robert A. Lovett, the former Defense Secretary and Under Secretary of State; Benjamin F. Fairless, of United States Steel; Edward L. Ryerson, of Inland Steel; Colgate Darden, president of the University of Virginia and a former Virginia Governor; retired Adm. Richard L. Conolly, president of Long Island University; retired Gen. John E. Hull, president of the Manufacturing Chemists Association; and General Doolittle, who prepared the White House's 1954 report on CIA.

But the consultants are required to meet only semiannually and rely on a three-man staff composed of Brig. Gen. John F. Cassidy (retired), one assistant, and one stenographer. And MANSFIELD feels that at best a group within the executive branch—and responsible only to that branch—can be but self-serving.

He may yet reopen his crusade for a Congressional committee. He is no longer a freshman. As Democratic whip, he is today Majority Leader JOHNSON'S alter ego and a member of the Senate's inner club, where he is treated with affection and respect. Moreover, he believes that the recent surprises

given the Congress and the American public—if not the administration—by Poland, Hungary, the Middle East, the Kremlin shakeup, and the sputniks, will influence more Senators to take closer interest in CIA supervision the next time the vote comes up. A year ago, Congressman DANIEL J. FLOOD, of Pennsylvania, introduced a bill similar to Mansfield's in the House—a bill which had 14 cosponsors. It is still to be given a committee hearing.

Any Congressional committee would, of course, have to understand that it could not ask CIA to divulge the names of its agents, sources, or cover agencies. But there is no need for such identification in any overall check and, indeed, the Mansfield bill did not ask for it. The legislators would have to police their membership to prevent leaks of the information they did get and keep an alert against any Congressional temptation to meddle in CIA operations. This, too, should not be impossible.

And, with or without a watchdog committee, Congress must face up to the responsibilities it now has. It must recognize that the Nation's security is very much a part of its business, and dissipate the aura of secrecy which makes a SALTONSTALL of Massachusetts, a RUSSELL of Georgia, and a HAYDEN of Arizona protest that there are some things they would rather not hear.

ADJOURNMENT TO MONDAY, MAY 19

Mr. PRESTON. Mr. Speaker, I ask unanimous consent that when the House adjourn today it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

REORGANIZATION OF THE DEFENSE DEPARTMENT

The SPEAKER. Under the previous order of the House, the gentleman from Delaware [Mr. HASKELL] is recognized for 60 minutes.

Mr. HASKELL. Mr. Speaker, in our cold war with communism there are four areas where victory or defeat will be determined. These are the military, the economic, the political, and the psychological.

Karl Marx, whose paranoaic policies laid the foundation for communism, looked to the economic as the principal means of destroying capitalism, and he called upon the masses to use nearly every type of political and psychological subversion to accomplish his purpose.

Marx felt that extreme taxation was the most effective weapon which could be used to destroy a capitalistic economy. He and those who have succeeded him in the Communist hierarchy have used every political and psychological means to attain this end and thus undermine the free countries of the world. They continuously encourage heavier spending by government and its attendant higher taxation. They know that through these methods they can bring about greater Federal control over all sources of capital. Such programs constitute the so-called bloodless revolutions by which Marxist theory supplants popular government.

During and after World War II, Russia used all four means of attack in taking over large sections of Asia and Europe. Presidents Roosevelt and Truman literally collapsed before the Red psychological offensive. But we know today that the Soviet program of territorial expansion—as heavily as it depended upon the nonmilitary—could not have succeeded except for the existence of Russian armed might and the knowledge of peoples in war-weakened countries that their destruction at the hands of this machine was a distinct possibility.

In short, Mr. Speaker, the economic, the political, and the psychological phases of Soviet conquest could not have succeeded except for the looming might of an awesome and ready military machine. Even during the Korean war, the possibility that the Russians would use this force caused President Truman to hold American troops behind the Yalu River and order them to fight a solely defensive action.

Since that time, Mr. Speaker, the development of nuclear weapons of unprecedented range and destructive power, plus the knowledge that a dictator in the Soviet Union could command its entire military force and have that command carried out in seconds, have made the Soviet threat even more formidable.

There is but one answer to this problem, and I believe every Member of this body will agree with me.

We must have a military machine strategically and tactically capable of applying an equal or greater destructive force and we must be able to use it at an instant's notice to defend ourselves. When the world—including the Soviet Union—realizes that this Nation is both capable and ready to defend itself against any attack and has the capability of destroying any other power on earth, the dangers of Soviet military conquest will have been immeasurably reduced.

The United States today is, in many respects, better prepared to wage nuclear warfare than its enemies. In other areas, much improvement is required. Our development and research on modern weapons must continue at top speed.

But having weapons and being able to use them effectively are two entirely different matters.

If, because of cumbersome chains of command and a lack of proper coordination in our defense establishment, the United States were delayed even a few minutes in the launching of a counteroffensive against nuclear assault, upwards of 65 million Americans would be destroyed.

This certainly is too high a price to pay for redtape, no matter how much some politicians would like to preserve it.

For several months, the public has been aware of the dangers present in the continued operation of our Department of Defense under existing law. The demands have been mounting for a more efficient administration of the Department, for a halt to the almost criminal waste of taxes on duplication or unnecessary military internal competition and a demand for a modernized and capable command.

These demands reached their strongest pitch when the Soviet launched its first satellite. Public reaction to the orbiting of Sputnik I manifested itself in the most bitter outcry yet for unification and against interservice rivalries and bickering.

In retrospect, it is interesting to note that many Democrats displayed an ecstacy bordering on the supernatural at such an opportunity to blame this administration for what they implied was almost criminal negligence in our largest governmental department.

It is something more than paradoxical that the opposition to President Eisenhower's program for reorganization of the Defense Department today comes from that same side of the aisle.

But no matter where the opposition comes from and whether or not the Russians had launched the first satellite, the need for reorganization of our military has been pressing for many years and requires action now.

As pointed out by the President several times since he first mentioned the plan to Congress last January, the experiences learned in World War II showed the need for unified commands in modern war. It was for this reason that the Departments of War, Navy, and Air Force were brought under control of the newly created Department of Defense in 1949.

The development of missiles, rockets and other devastating nuclear devices by all three branches of the service today makes the need for combined use of military, naval, and air units even greater. If this country were attacked tomorrow, the deficiencies inherent in our present system could be catastrophic. The traditions of the individual services and their sovereignty are minor considerations when compared to an all-out enemy attack.

Throughout the Pacific Theater in World War II, it was necessary to coordinate all branches of the services and to place them under single commands to attain maximum effectiveness and striking power. Similarly, in Europe, the Navy, Air Force, and Army were used jointly in taking our major objectives. Today, rockets fired from the ground, planes and ships; missiles of varying ranges triggered from beneath the surface of the sea and from ships afloat, from the air and from launching pads on land, will make unified commands even more essential.

No one, even the most outspoken critic of the proposed reorganizational plan, could deny this vital need for coordinated striking power and defense with a command capable of effectuating instant decisions.

Under existing law, service differences and separate command of the military, naval, and air forces in the opinion of many experts result in hamstringing us for a critical period of time.

This necessity for a defense facility which can make most efficient use of its striking power, of course, constitutes the vital reason for an immediate enactment of the President's plan as expressed in H. R. 11958.

The administration measure would give the Secretary of Defense specific authority to establish unified commands and to assign combat personnel to them. Also provided for is the delegation of authority and responsibility for each unified group to its commander and a direct line of command to the Joint Chiefs of Staff, the Secretary of Defense, and the President.

If the unified commands are to function at full capability, certain organizational changes in the Joint Chiefs of Staff will be required. These requirements are covered fully in the administration's bill. Briefly, JCS would provide strategic guidance to the military departments, and would handle operational and planning matters now under jurisdiction of individual departments.

Obviously, such added responsibility would require a discontinuance of the present JCS committee system and an increase in the size of its operational staff. Present law limits this to 210 officers.

That the unified commands feature of the reorganization proposal is vitally needed is attested to by the language of the existing law, which places sole and exclusive command of the Navy's operational forces in the hands of the Chief of Naval Operations.

Theoretically—and legally, if the question were to be brought up—assignment of naval personnel to unified commands could be withheld by the Chief of Naval Operations. Similarly, "separate command" language of the present act conceivably could limit use of personnel from other services.

It was just this sort of split authority which allowed the Navy to pull destroyers out of the supporting force during the Normandy invasion and send them tailing off on another mission. This, of course, was an incident the President will remember as long as he lives.

I am sure we can understand that he would have a personal reason for wishing to eliminate any such eventuality in the future.

It is absolutely essential that a unified central coordination of our research and development effort be at maximum efficiency if the laboratory battles of the future are to be one.

The administration measure, Mr. Speaker, goes far beyond solution of the vital needs for clear channels of command, and instantaneous executive decision as an efficient military war deterrent.

We must make it possible to defend ourselves on the other three fronts—the economic, the political, and the psychological.

In the first of these areas, let me remind those on both sides of the aisle of what President Eisenhower said in that connection on April 17.

He pointed out that the $200 billion in military expenditures during the past 5 years could have paid for our entire nationwide Interstate Highway System, every worthwhile hydroelectric power project in the Nation, our hospital needs for 10 years to come, our school construction requirements for some time to come, a $50 billion reduction in our national debt and still would have left $10 billion a year for security.

He added:

> All of us deplore this vast military spending. Yet, in the face of the Soviet attitude, we realize its necessity. Whatever the cost, we must keep America secure.
>
> But in the process we must not, by our hand, destroy America. This we could do by useless overspending. Thus we would undermine the economic strength of which our freedom and military power depend.

Thus, the administration proposal would eliminate the military element in the four-point Communist assault, and would minimize the inroads on our Treasury that Karl Marx advocated.

The psychological and political threats, I believe, than can be met with far greater success.

It is my belief that the Free World will have less to fear if the United States is militarily and economically secure.

There have been many criticisms voiced on and off this floor by Members on the other side. They hinge principally upon the argument that the administration proposal would create what has been termed a "Prussian general staff."

This charge is, as President Eisenhower has said, "Nonsense."

Just how anyone could arrive at such a ridiculous conclusion after reading the bill in question is beyond comprehension.

There have been other and equally unfounded charges from the Democrat leadership. But the administration proposal is specific in spelling out just what can and cannot be done.

The measure is as definitive as the President himself was when he addressed a meeting of the American Society of Newspaper Editors here on April 17. He said there would be—

> No single chief of staff, no Prussian general staff, no military czar, no $40 billion blank check, no merging of the traditional services, no undermining of the traditional powers of Congress.

I can conclude only that opponents of this measure base their opposition on politics rather than on knowledge and national need.

Or, perhaps, they are feeling the pressures that their most widely hailed spokesman, Harry Truman, expressed in New York on January 12.

In an Associated Press interview, Mr. Truman, never one to give credit to a Republican administration, said:

> I tried to make a coordinated military setup, but there were some in Washington who felt they would lose power if the services were coordinated.

For once I agree with Harry Truman.

Whoever was afraid of losing power apparently was allowed to influence legislation which is vital to our economic and military security. I should remind those on the other side of the aisle who have expressed fear that this measure would create a military czar, that the existing law at least protects those who enjoy power.

Certainly, anyone of ordinary intelligence can understand that no man whose job depends upon his being a civilian, upon his appointment being made by the President and whose approval is dependent upon a decision by the United States Senate, could ever become any kind of a czar, not even a small one such as those who have stood in the way of unification of the Defense Department in the past.

Mr. Speaker, everyone in this body should be familiar with the individual points contained in H. R. 11958 and I believe it would be unnecessary at this time to list them again.

But many of us feel it is of the most urgent importance to remind everyone here that immediate passage of the measure about which I have spoken could mean the difference between a decent life for our children and national annihilation.

Under our present defense structure and command system, an attack warning received at the North American Defense Command must be sent from there to the President, who must answer with an order, which then must be relayed to the Strategic Air Command in Omaha for execution—all within 15 minutes.

Fifteen minutes, Mr. Speaker, in an age of 3,000-mile-an-hour missiles, is and could mean eternity.

In the last decade, the world has undergone changes undreamed of even by writers of the most fantastic science fiction.

We are discovering, day by day, that our very existence is dependent upon our ability to accept and meet the challenge of new and revolutionary change.

Our problems in war, as in peace, must be met with able, courageous and correct decisions, made with the speed of the age in which we live.

Any delay in action upon the measure before us could be measured in the same terms we would use to gage the passage of time at the North American Air Command while awaiting the order to intercept nuclear-laden missiles hurtling toward our cities.

Fifteen minutes is a long time to wait for such an order.

It is a short time in which to reorganize our entire Defense Establishment if and when we are attacked.

Mr. BASS of New Hampshire. Mr. Speaker, will the gentleman yield?

Mr. HASKELL. I yield.

Mr. BASS of New Hampshire. I want to commend my colleague for his very keen and comprehensive analysis of the weaknesses in our defense organization and the need for implementing the President's reorganization plan. There is no more vital issue affecting our national security than this, and I wish to associate myself with the views expressed by my able colleague on the problem.

The gentleman makes a very good point when he brings out the fact that the Democrats last fall bitterly attacked the President for what they implied was criminal negligence in our Defense Department. Now, when the President comes forward with a plan to make our Defense Department more effective and efficient, it is the Democrats on the House Armed Services Committee, particularly the senior members, who are openly opposing the President's plan. I venture to predict that if the committee

reports out any bill, it will be a weak and innocuous measure virtually preserving the status quo in the Pentagon and implementing none of the President's recommendations.

Mr. HASKELL. I thank the gentleman.

Mr. GAVIN. Mr. Speaker, will the gentleman yield?

Mr. HASKELL. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. The gentleman is just a bit premature about what kind of a bill is going to be reported out. I did not hear the gentleman's previous conversation, but we have been spending many weeks in hearings. I am quite certain that when we do report out a bill it will be a very satisfactory bill, one that is just as satisfactory to the administration as to any other part of our Government. So I would not say that the Committee on Armed Services is not going to bring forth legislation that is satisfactory, because, being a member of the committee, I may say that we are making a very conscientious effort and spending much time in trying to develop legislation that will meet with the complete satisfaction of the House. I sincerely hope we will be able to do that.

Mr. HASKELL. I know that the gentleman is a very able member of that committee and certainly will not help to bring out anything but a bill that is going to do the job. It is our hope here today that they will bring out a bill that is going to do the job, and it is good to hear the gentleman suggest that is exactly what is happening.

Mr. BASS of New Hampshire. Mr. Speaker, will the gentleman yield?

Mr. HASKELL. I yield.

Mr. BASS of New Hampshire. If I might further answer the distinguished gentleman from Pennsylvania, I am very pleased and encouraged to hear what he says. I base my statement on my talks with other Members and what they have said publicly on the floor of the House. I say again, all the public pronouncements have been absolutely opposed to the President's reorganization plan, from the chairman on down.

Mr. GAVIN. Mr. Speaker, will the gentleman yield further?

Mr. HASKELL. I yield.

Mr. GAVIN. I might say when the bill was first presented, there was considerable discussion as to its merits. As the days and weeks have gone by, I feel that much of the criticism has been dissipated. We are now down to sound fundamentals and I feel certain that the committee, when we do report out a bill, is going to report out a bill that will meet with the satisfaction of the entire membership. I do not want to see any bill come out on the floor of the House unless it does give satisfaction to all interested parties in the reorganization of our national-defense program. You can rest assured that as one Member, I have diligently pursued day in and day out as my good colleague here, the gentleman from California, well knows; as I say, I have diligently pursued the objective of bringing out a bill that is going to give complete satisfaction to everybody who is interested in the reorganization of our national defense and to simplify this whole structure and prevent duplication, and overlapping, and coordinate our defense setup into a unified organization which will meet with the approval of the American people.

Mr. BASS of New Hampshire. May I ask the distinguished gentleman whether he feels that the Committee on Armed Services is going to recommend implementing any of the President's recommendations?

Mr. GAVIN. I certainly do.

Mr. BASS of New Hampshire. I am most happy to hear that.

Mr. COLLIER. Mr. Speaker, will the gentleman yield?

Mr. HASKELL. I yield to the gentleman from Illinois.

Mr. COLLIER. I, too, wish to commend the gentleman from Delaware for his very timely and excellent discourse here this afternoon on this important issue that we are going to face. I recall very well, as most of us do, shortly after the Soviet Union launched its satellite last fall, there was considerable public clamor and there were many Members in both this and the other body who insisted that part of the fault at that time when our national pride was sorely wounded was the result of rivalry among the branches of the armed services. There was considerable criticism of the defense organization. I think it behooves everyone to look very carefully at this legislation which is proposed to solve some of the problems which were the subject of that criticism. I do not think anyone can deny that the modernization of warfare and the things that have transpired internationally as well as in our defense program in recent months demands that we take a second look. I am glad to hear the gentleman from Pennsylvania say that is exactly what is being done and is going to be done very shortly. I believe that most of the American people, however, recognize that President Eisenhower's military background certainly qualifies him as a top expert in this field. The President has proposed complete unity in strategic planning and operations of the military. He insists on the need for reorganizing the fighting force in the administration. Again, I want to commend the gentleman from Delaware for his discourse. I certainly would be in support of the President's defense reorganization program.

Mr. HASKELL. I thank the gentleman from Illinois.

Mr. MAY. Mr. Speaker, will the gentleman yield?

Mr. HASKELL. I yield.

Mr. MAY. I would like to join the others in commending the gentleman from Delaware for his statesmanlike leadership in this vital area of defense. I believe a sound economical defense is vital to the security of the United States. I feel the President's reorganization program fits the bill. In fact, I have supported his plan and will continue to support it in the future. Further, may I just add this. That I believe the people in the gentleman's district of the State of Delaware should be extremely proud of the work of their Representative. Not only does the gentleman return home daily and weekends to do a job for his constituents, but his attention to every detail in Congressional duties in Washington is one of extremely high caliber. I say the Congress of the United States needs men of the quality of Mr. HASKELL. His leadership in this issue of defense and space and other activities is of the highest caliber, and I commend him for his efforts.

Mr. HASKELL. I thank the gentleman.

Mr. HIESTAND. Mr. Speaker, I ask unanimous consent that all Members participating in this discussion may have permission to extend their remarks at this point.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. HIESTAND. If the gentleman will yield, I join my colleagues in complimenting the gentleman from Delaware on his statement. It is quite obvious that he has given long and deep study to this matter because this statement and its wording is an excellent one. Just by way of emphasis, perhaps the most important factor in it—what would the gentleman say is the key factor in the reorganization plan?

Mr. HASKELL. I would say the key factor is the withdrawal from the language in the old act of the separately administered. This has caused confusion time and again down through the departments. This does not mean that you weld the administration into one department—Army, Navy, and Air Force. But it does mean that the continuation of having this written into the 1949 act will be eliminated if we take these words out:

> The reorganization plan removes a condition in the law that the military services shall be separately administered and states that henceforth the departments shall be administered by their respective Secretaries under the direction, authority and control of the Secretary of Defense.
>
> The existing authority of the Secretary of Defense has not been questioned. Despite the apparent contradiction in the law, which gives him the authority and direction and then seems later to take it away from him in the separately administered provision, he can and does make decisions regarding the separate service departments which are not questioned.
>
> However, at lower levels in the defense organization the separately administered concept beclouds the respective responsibilities of those to whom the Secretary of Defense has delegated the responsibility for carrying out certain objectives which he has set, and those who are understandably and genuinely convinced that their service is to be separately administered and therefore is not subject to those objectives. These matters can be straightened out by appeal to the Secretary of Defense, but to handle them all would put unpardonable and unbearable demands on his time which should be devoted to matters of greater importance.

I think this is the key change. There are arguments on both sides, but I am personally convinced that we should make this change.

Mr. HIESTAND. I appreciate the gentleman getting right to the heart of the matter. Would you say that this, if enacted, would cut out a lot of the

duplication we have seen all along the line?

Mr. HASKELL. I feel absolutely convinced that not only will it cut out duplication today and provide combat ability far in excess of what we have now, but when it comes to research into the future and the increased cost of weapons, which is billions and billions of dollars, the battle in the future will be in the laboratory, and if we are not able to cut out this duplication our country is going to be in difficulty and we will be weak militarily.

Mr. FRELINGHUYSEN. Mr. Speaker, will the gentleman yield?

Mr. HASKELL. I yield.

Mr. FRELINGHUYSEN. I want to join with my colleagues in commending the gentleman from Delaware for the very fine discussion of a topic which is of great significance to all of us. One of the major problems still to be tackled by this session of Congress is what kind of a reorganization of the Defense Department are we to have? In what way can we provide more efficient organization for our own security? In that connection I would like to call attention to a recent questionnaire which I sent to constituents in my district. One of the questions was as follows:

Do you believe Congress should press for greater unification of the armed services in the Defense Department?

Out of something over 5,500 answers to my questionnaire, over 5,000 or 85.6 percent said, "Yes, we do believe that Congress should press for greater unification." In other words, I think this is a simple demonstration, but one which could be carried out in almost any Congressional District, that the people are well aware of the necessity for doing something to promote both economy and efficiency in our defense organization. I think the gentleman has done a very fine service in pointing to the real need for action at this session of the Congress, and I shall certainly do my best to bring that about.

Mr. HASKELL. I thank the gentleman from New Jersey, and I am sure that with people like himself reflecting such opinions held by the people in their districts, this measure will be passed.

Mr. LIPSCOMB. Mr. Speaker, will the gentleman yield?

Mr. HASKELL. I yield.

Mr. LIPSCOMB. I want to join in commenting on the necessity of a reorganization plan of the scope presented to the Congress by the President. I believe the gentleman has pointed out the very critical necessity for a program of this nature. Will the gentleman yield for a question?

Mr. HASKELL. I yield.

Mr. LIPSCOMB. The President has stressed the necessity for this reorganization, but does not modern warfare make it even more necessary at the present time to take action on this program because of the necessity for a unified command?

Mr. HASKELL. I would say to the gentleman that I feel strongly that this is the center core also of the proposed change. I had the opportunity last year to go out to one of these command areas under the command of General Partridge, and got a good briefing on their operation. The necessity of one man being in charge of a unified operation was most evident, for as the situation exists today it is perfectly possible for the commander to have a couple of squadrons taken away from him without his even being told it was to be done, have those squadrons pulled out by the Air Force itself.

Also it is not left up to him to decide whether the operation needs a Nike A, a Nike B, a Talus, or some other type of weapon. That decision is made elsewhere.

I have some comments from the Secretary on this, if I may read them:

There is nothing novel in this concept of unified commands. Operations in World War II and Korean conflict showed fully not only the desirability but indeed the practical necessity for such commands. It was a unified command in Europe—grouping the forces of our country and its allies into a magnificently articulated, powerful, and fast moving force—which then General Eisenhower led to victory over the Axis. The Pacific Command under Admiral Nimitz and the Southwestern Pacific Command under General MacArthur combined our own ground, sea, air, and underwater forces into two of the most gigantic and effective striking forces in history. This proven effectiveness of unified commands is demonstrated by the existence today in the Department of Defense of the nine commands which are contemplated by the President's plan: Continental Air Defense, Eastern Atlantic and Mediterranean, Atlantic, Strategic Air, Caribbean, European, Alaskan, Pacific, and Armed Forces Special Weapons project. After further experience with the unified command concept, more commands may be added, and a realinement of existing commands may take place, on a functional or geographical basis, or both.

The authority of the Secretary of Defense to establish unified commands is made explicit in the reorganization plan, and he is empowered to assign forces of the military departments to them. A chain of command running directly from the commander of the unified command to the JCS and from there to the Secretary of Defense and the President is made clear. Further, the President's plan is intended to remove present uncertainties concerning the authority of unified commanders to have direct command of all forces assigned to their commands. Thus, the proposed legislation unmistakably sets forth:

1. Explicit authority to create unified commands and assign existing forces to them,

2. The direct line of command between the commander and the Secretary of Defense, and

3. The commander's authority over his unified command.

Basically, that is it.

Mr. LIPSCOMB. Mr. Speaker, will the gentleman yield?

Mr. HASKELL. I yield.

Mr. LIPSCOMB. The gentleman has given a very complete answer, and it shows the study he has given to this subject.

Mr. WILSON of California. Mr. Speaker, will the gentleman yield?

Mr. HASKELL. I yield.

Mr. WILSON of California. The gentleman is to be commended for the effort he has put forth and the study he has made of this subject, and his participation in this discussion. I believe it is a good thing to have this discussion. But, I believe all of us would be doing a disservice not only to ourselves but to the Committee on Armed Services and to the Congress to prejudge the legislation that will be forthcoming from this committee. I find and have found, and I know my colleagues on the committee have found, that there is very little disagreement with the major objectives of the President's reorganization plan. The main difficulty is in the implementation of those proposals. We find that the legislation that the Department of Defense submitted to us for consideration does not clearly encompass the objectives of the President's stated objectives. We had a situation similar to that presented to us by the recent pay bill, which passed the House almost unanimously. The President appointed the Cordiner Committee to study the pay problem. The experts came forth with certain recommendations, and then the legislative proposals that were brought forth just did not match up with the recommendations. So, the Committee on Armed Services very wisely held hearings and came forth with legislation that was unanimously accepted. The Department of Defense liked it and the Congress liked it, and I am sure the President will sign it in the next few days. Now, the same situation, in my opinion, prevails in the proposed reorganization plan. I hope that the Members of Congress who have spoken today are not trying to suggest that the legislation be brought out completely without any review by the Committee on Armed Services. I am confident that the legislation that does come forward from the Committee on Armed Services is going to be satisfactory to most of the Members of the Congress.

Mr. RHODES of Arizona. Mr. Speaker, will the gentleman yield?

Mr. HASKELL. I yield to the gentleman from Arizona.

Mr. RHODES of Arizona. I would like to compliment the gentleman from Delaware on his fine presentation, not only in this field but also in the fields of education and labor. The gentleman is a very distinguished member of the Committee on Education and Labor, and has been particularly active in the education part of that committee. I would like to say here and now that I do not know of any single Member who in such a short period of time has made himself the master of a very difficult subject, as has the gentleman from Delaware.

Mr. HASKELL. I appreciate that coming from the gentleman, but I am sure I have not mastered it.

Mr. RHODES of Arizona. Partially following along the line suggested by the gentleman from California, I am sure that it is not the intent of the gentleman from Delaware or anybody else who has spoken to prejudge the matter. The intent, rather, I am sure, of the gentleman from Delaware and others is to point out the need for legislation. I think that the fear which has been voiced as to what the Committee on Armed Services might do comes as a result of the speech which was made by the chairman of that committee, a very distinguished gentleman and one for

whom we all have the greatest respect. His speech occurred shortly after the President's message on reorganization was submitted to the Congress. I am pleased to hear from the gentleman from Pennsylvania and the gentleman from California that apparently the situation in the committee now is such that seemingly the inflexibility which seemed to characterize that speech has now worn away a bit and that there will be good legislation coming from the committee. And, I know of my own experience and knowledge of the zeal of the gentleman from Pennsylvania and the gentleman from California in working for the administration program, and I am greatly encouraged to realize that they are satisfied with the progress of this legislation.

May I ask the gentleman from Delaware a question which has been bothering me somewhat? We are talking about a change in the law. Part of this change would have to do with the command of the Field Forces. This is presupposing that something is now wrong with the law. Can the gentleman tell me what the statutory change is in the combat command function which the President seeks?

Mr. HASKELL. I have some comments from the Secretary on this that I think will answer that question:

The changes in the law which are proposed do not change the present statement of functions of the armed services. The crux of the discussions, therefore, is the question of the authority of the Secretary of Defense to eliminate overlapping in combat functions as may be required by changing circumstances. This provision is considered necessary because the advent of modern weapons has eliminated the clear distinction which could at one time be made between combat on land, combat at sea, and combat in the air. Thus the advent of modern weapons has led to overlapping which is confusing and wasteful, and has underscored the vital need for unified direction and operational use of combatant forces.

For example, under the present statutes, both the Army and Air Force can claim similar modern weapons which will perform the World War II type operation of close support of ground forces, since this mission can be interpreted as incident to combat both on land and in the air. In like manner, both the Navy and Air Force can claim weapons which have capability for strategic warfare, and both the Army and Air Force can claim similar weapons which have application to air defense.

It is obviously necessary, in the national interest, that such problems be promptly resolved. The Secretary of Defense will find it less difficult to make such decisions on these matters and will be able more effectively to administer the Department of Defense and, under the President, to provide direction of its combatant forces if he has the legal authority to resolve this type of problem. So long as this authority is open to question, any decision by the Secretary of Defense which is not popular with a service or public supporter of that service can be challenged as an infringement on the statutory combatant functions which are derived from the war at sea, war in the air, war on the land concept.

Similar problems have arisen under these sections in the logistics field when efforts in the areas of single manager, single procurement, and interservice supply support have been met with the claim of interference with broad combatant functions as set forth in the statute.

The problem we face in administering the Department of Defense, is therefore, somewhat of an anomaly. The present legal statement of functions of the services is now very broad, and the statement should remain broad. However, this broad statement is rigidly fixed by law, and there are areas of overlap of combatant functions which can be claimed by two or more services. Since the present law does not permit the transfer, consolidation, reassignment, or abolishment of combatant functions, there is a legal basis for resisting any decision of the Secretary of Defense which would establish single responsibility in an area of overlap.

The intent, therefore, is not to make a sweeping realinement of the services or their administration, but rather, in the national interest, to be able to make timely decisions in those areas which invite duplication and the unnecessary expenditure of resources.

Specifically to answer your question: The advent of modern weapons invites duplication within the framework of present statutory statements of combatant functions and at the same time another provision of the law (sec. 303 (c) (1)) makes unnecessarily difficult the timely elimination of such duplication.

Mr. RHODES of Arizona. I thank the gentleman.

Mr. TEWES. Mr. Speaker, will the gentleman yield?

Mr. HASKELL. I yield to the gentleman.

Mr. TEWES. Mr. Speaker, during the time the gentleman from Delaware has been here on the national scene, he has impressed observers and his colleagues with his conscientiousness and his studiousness on important national problems. Last year we were all conscious of the contribution that he made on the important problem of air traffic control; and again, as the gentleman from Arizona [Mr. RHODES] has said, on the important subject of education. Today I think it is quite clear that we have received another such contribution on this all-important problem of the reorganization of the Department of Defense. There is probably no one problem which cuts across the responsibilities of the citizens as frequently and as intimately as does this matter of the reorganization of the Department of Defense for it is, on the one hand, an administrative problem involving almost 60 percent of each of the dollars which the taxpayers send here to Washington, and at the same time it is an enormous strategic problem militarily and tactically, which affects the security of all the people in the United States. The gentleman has demonstrated again by his contribution here today that he is of substantial worth not only to the people of the district he represents, but the entire Nation.

Mr. HASKELL. Mr. Speaker, I appreciate the remarks of the gentleman from Wisconsin.

Mr. BASS of New Hampshire. Mr. Speaker, will the gentleman yield?

Mr. HASKELL. I yield to the gentleman from New Hampshire.

Mr. BASS of New Hampshire. Mr. Speaker, during the committee hearings on defense reorganization, I was most disturbed to note the testimony of General Pate, the Marine Commandant, in opposition to the President's reorganization plan. I was not present to hear his testimony, but the Washington Post of May 2 carried this account, and I quote:

PATE FEARS PLAN PERILS MARINES—CHIEF OF CORPS SAYS THEY MIGHT GET "BUM'S RUSH"

(By John G. Norris)

Gen. Randolph McC. Pate, the Marine Commandant, told Congress yesterday that President Eisenhower's military reorganization plan presented a potential threat to the existence of the Marine Corps.

He said he was fearful that some future Secretary of Defense might use its broad powers to "give the Marine Corps the bum's rush," or reduce it to "simply a ceremonial unit."

The top-ranking leatherneck singled out one provision of the administration bill for particular attack—that which proposes to repeal existing law barring the Secretary from altering the combatant functions of any service without Congressional approval.

SEES FUTURE DANGER

He said he was confident that Defense Secretary Neil McElroy had no intention of taking away the Marines' traditional amphibious role or its air wings to give them to the Army or Air Force.

But, Pate told the House Armed Services Committee, "present good intentions are no insurance against future damage to our usefulness—only in the law can we find such insurance."

"As the committee knows well," he added, "the Marine Corps has undergone—and happily, survived—several attempts to reorganize it into nonentity."

Apparently General Pate is much more concerned with maintaining the status quo of the Marines than he is with the broader problem of securing the most effective defense establishment in these days when military weapons and methods of warfare are undergoing most drastic changes in this missile age and when we are faced with a mighty enemy who is ruthless and bent on world domination. This entrenched attitude of resisting any change in the Pentagon represents the thinking of many of our high ranking military men; these men, including General Pate, are of course sincere, devoted, and patriotic men. But their blind resistance to any change in military organization which might affect their particular service is shortsighted and dangerous thinking in these changing times.

We should be concerned about the broad problem of what is best for our national security by shaping an efficient, effective and modern defense organization, rather than in preserving the status quo of the Navy, Marines, or other service. I recognize the wonderful history and proud tradition of the Marines. This will never be forgotten. But I also recognize that military weapons and methods of warfare are undergoing the most revolutionary change in military history. Perhaps it might be in the interests of our national security that the organization, role and mission of the Marines or other services be changed.

Mr. HASKELL. I thank the gentleman. I should like to comment on his remarks and say that in the President's bill there is nothing, of course, that does away with the Marines or the Army, the Navy or the Air Force. It is a question of how they shall function and how they shall fit in. The most common sense layman knows that in this fast changing

technology we have absolutely got to make changes in the methods of the fighting forces.

Mr. BASS of New Hampshire. The gentleman is correct.

Mr. SHEEHAN. Mr. Speaker, will the gentleman yield?

Mr. HASKELL. I yield to the gentleman from Illinois.

Mr. SHEEHAN. Mr. Speaker, I want to commend the gentleman for his great interest in this program and for his fight for the President's reorganization plan for the military.

I note in the gentleman's remarks reference to the so-called Prussian general staff. That idea is apparently one of the things that has gone around the country in big style and has made a lot of people a little skeptical about the bill. As I understand, the old Prussian general staff besides running the army ran many of the internal affairs in Germany.

Mr. HASKELL. Under the Kaiser they actually ran the country.

Mr. SHEEHAN. Right; but under the plan the President has brought forward there is no possibility of that. He has never asked to give away any of his constitutional authority as Commander in Chief. Is that not right?

Mr. HASKELL. That is absolutely certain. The President is the elected head of the United States. The Cabinet will exist, the National Security Council will continue, the Secretary of Defense will be there. There is no conceivable comparison to the so-called Prussian general staff.

Mr. SHEEHAN. So to all intents and purposes we can completely forget about any correlation or relationship with the Prussian general staff.

Mr. HASKELL. I believe that.

Mr. COLLIER. Mr. Speaker, will the gentleman yield?

Mr. HASKELL. I yield to the gentleman from Illinois.

Mr. COLLIER. One further thought on this while we tussle with this problem and while the Committee on Armed Services does. I think it is of vital importance to all the taxpayers in the country that they take an interest as well when we stop to figure that of every dollar paid in taxes by the American taxpayer 65 cents goes for defense.

We have heard from time to time that there has been waste in the Defense Department, and no doubt there is. Probably no operation that is that vast in scope is without a certain amount of waste. But here we are faced with an opportunity in the reorganization of the Defense Department to eliminate in many areas of defense that for which we are not getting the most from our dollars, to get a more efficient operation, to get more for our tax dollars in the area of defense. So I think it should be of vital importance and concern to every taxpayer in the country to watch the progress of this proposed legislation in an area that consumes more of their tax dollars than anything else.

Mr. GAVIN. Mr. Speaker, will the gentleman yield?

Mr. HASKELL. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. I want to compliment the gentleman and the other Members taking part in this very interesting discussion on the proposal for a reorganization of our national defense. I am immensely pleased with this discussion. It has made evident the gentleman's very thorough knowledge of what is being proposed and his manifestation of great interest in one of the most serious pieces of legislation that has ever come before this Congress, the reorganization of our national defense.

At the same time I want to assure the gentleman that on our Committee on Armed Services, of which I am proud and honored to be a member, we have some of the most experienced, practical, sound, and clear-thinking Americans, who are screening very carefully and examining in detail every phase of this comprehensive overall picture and to the best of their ability trying to meet the administration's proposals. There may be some phraseology that has to be changed here and there, but I assure the gentleman that we on that committee are going to leave nothing undone to come before this House with legislation that will meet with the approval of the entire membership.

So I am very much pleased that the gentleman has initiated this discussion. I compliment him on his interest, and he should have an interest in this matter. I wish all the Members of the House manifested the same interest in this very important piece of legislation as the gentleman is showing here today.

May I say that witness after witness has come before our committe and assured us that there is no attempt to eliminate any one branch of the service, the Army, the Navy, the Air Force, or the Marine Corps. Time and again I asked the question, "Do you think it would eliminate any part of any one particular branch of defense?" and the witnesses have assured me that there would be no attempt to eliminate any particular part of any branch of the service, such as the Navy Air, the Marine Corps, or any other phase. This reorganization is an attempt to simplify the whole overall structure, to eliminate overlapping and duplication, to bring about greater unity and simplification of command.

I compliment the gentleman on giving us this opportunity to listen in on his discussion here today.

Mr. HASKELL. I appreciate what the gentleman has said. I think what we are doing here is simply a reflection of the desires of our own constituents.

Mrs. ROGERS of Massachusetts. Mr. Speaker, will the gentleman yield?

Mr. HASKELL. I yield.

Mrs. ROGERS of Massachusetts. Mr. Speaker, I am tremendously impressed with what the gentleman has said and with the forthrightness and interest of the gentleman not only in this but in everything that he undertakes. He is one of our finest and ablest Members of Congress. He was a very gallant serviceman—and we owe him much for that. But, I have viewed with great alarm the feeling in the country that Mr. McElroy, the Secretary of Defense, would not do anything that was not right—or that the President would not do anything that was not right. The people know only too well that President Eisenhower will not run again. We also know that tomorrow something might happen to the Secretary of Defense and we would have a new Secretary of Defense. It seems to me a good deal of this legislation is built around that pair. I have watched and fought with all my might to prevent the practically complete annihilation of the Marine Corps at the time of unification and the almost complete annihilation of naval air at that time and the scrapping of many of the very important elements of our armed services. They said unification would simplify things and would save money. Of course, it did not. I doubt very much if this would simplify the operation of our national defense. You might well find that possibly there might be another and fourth branch of our defense service. But, I know the Members who have spoken, or most of them, feel that what he advocates is the best way to legislate. I am glad to hear his testimony as well as the testimony of all the others who have gone into these matters so thoroughly. Discussions and free debate are the American way of legislature. I have watched our national defense for 48 years here in Washington and I have been very much alarmed many times. It seems to be easy to sell the public something through propaganda just as we have seen in the case of the reciprocal trade agreements although I think the people have awakened to the danger in that situation and, perhaps, the same thing may be happening in this case. I respect the gentleman's opinion. I am so glad to have his opinion and the opinions of all the other distinguished, able and thoughtful Members of the House on the floor today, but I still have a feeling of alarm about the proposed changes in national defense.

Mr. HASKELL. I appreciate the words of the gentlewoman.

Mrs. ROGERS of Massachusetts. I did not mean to make a speech.

Mr. HASKELL. I know there is nobody who has a stronger and more sympathetic and warmer feeling for all of our service personnel throughout the United States, and the gentlewoman's deep and heartfelt concern for them is revealed in every word she speaks before this Congress.

NATIONAL DEFENSE

The SPEAKER. Under previous order of the House, the gentleman from Massachusetts [Mr. McCORMACK] is recognized for 10 minutes.

Mr. McCORMACK. Mr. Speaker, on February 18, 1958, the gentleman from Missouri [Mr. CANNON], the chairman of the Appropriations Committee, addressed this House and in his usual thorough and searching analysis of the facts pointed out the disturbing but realistic state of affairs concerning the defense of this Nation—that the United

States is in great peril in its struggle with Russia because of our many deficiencies.

The gentleman from Missouri did not rely on theory or specious sentiment in reaching this distasteful conclusion, but rather cited undenied fact after fact in support of such view. We cannot accept such state of affairs, sit idly by, with only the hope that the American genius will rise to the occasion of the threat and ultimately be triumphant. I am not content to let the matters so rest, nor do I believe that anyone here, on either side of the aisle, is willing to accept a posture of hope, inaction and drift, without positive steps to attempt to remedy and remove our deficiencies and shortcomings. I hope, and I am confident, that the Armed Services Committee, under the able leadership of the brillant gentleman from Georgia [Mr. VINSON], will report a bill harmonizing for our national interest any conflicting views.

I want to specifically address myself to one phase of our shortcomings that was noted and to urge that corrective action, which is presently available, be taken to overcome this condition.

The gentleman from Missouri called our attention to a Navy report of December 30, 1957, in which the responsible Navy personnel visualize that in any possible attack on the United States by the Russians (a) that such attack would be by missile-launching ships disguised as merchant vessels, (b) that under normal conditions there are approximately 75 unidentified ships within 500 miles of our coasts at any given time, and (c) that air surveillance to unmask such hostile merchant ships would require prohibitive numbers of aircraft.

I desire to suggest a program at a minimum cost that can forestall the possibility of such treacherous attack as our Navy visualizes. I am convinced, too, that the knowledge of the existence and effective implementation of such program would be sufficient to thwart any hostile effort of this nature.

I have long been an admirer of our merchant marine, have regarded them as our fourth arm of defense, and have been interested in their problems and their obligations. The United States flag flying merchant vessels should be assigned the additional task of making positive identification of unidentified vessels within a certain distance of our shore, say, for example, 500 miles off our coasts, if this be the necessary range, and to stand by such unidentified merchant vessel within the range until identification is made.

Not only may our merchant vessels be employed in this task, but, if feasible, the merchant ships of our allies may also be requested to join in such operations.

I will not go into any fine details of the proposed plan. In essence, as I view the picture, such presently available detection methods as we have would establish the existence of an unidentified merchant vessel within the prescribed area.

A communications network available on a 24-hour-per-day basis must be created. I know that our Defense Department and other Government vessels and merchant passenger vessels are on such a communication basis. Our cargo-carrying merchant vessels, however, have a radio operator on duty only 8 hours per day. From the legislative history of H. R. 4090, 84th Congress, I note that 24-hour-per-day communications with these cargo vessels is readily attainable by the installation of a device that will respond to a predetermined code so as to alert an off-duty radio operator and call him to his station for the intended message. Thus, by the use of this ship-call alarm, required communications with merchant cargo vessels may be maintained.

On the above basis, our ship ascertained by communications to be nearest to the unidentified one can be immediately dispatched to the desired area, and establish identification or otherwise report its finding to the necessary authority.

An unidentified vessel off our coasts would thus be subject to identification or surveillance and the threat of attack of our land by a missile-launching merchant vessel would be considerably, if not effectively, abated.

I am certain that our shipping industry is interested in the defense of this Nation and would be willing to cooperate in such plan, upon fair and just terms for any time loss or other expense that may be involved.

This plan appears to be a feasible one, contains no obstacles of any consequence and can be readily employed without serious time lag at a cost that is inconsequential. It merits our attention, adoption, and enforcement.

STATEMENT OF THE WARRIOR-TOMBIGBEE DEVELOPMENT ASSOCIATION BEFORE THE SUBCOMMITTEE ON PUBLIC WORKS OF THE HOUSE COMMITTEE ON APPROPRIATIONS, MAY 15, 1958

Mr. PRESTON. Mr. Speaker, I ask unanimous consent that the gentleman from Alabama [Mr. BOYKIN] may extend his remarks at this point in the RECORD and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

Mr. BOYKIN. Mr. Speaker, I include the following important statement of the Warrior-Tombigbee Development Association before the Subcommittee on Public Works of the House Appropriations Committee May 15, 1958:

My name is Jack W. Warner. I am president of the Warrior-Tombigbee Development Association which maintains offices in Birmingham, Ala. The association is a nonprofit, nonpartisan, educational organization whose sole purpose is the comprehensive, orderly improvement of Alabama's Warrior-Tombigbee River System and the Mobile Ship Channel. Our membership includes individuals from virtually every walk of life plus many businesses and industries in the 16 Alabama counties adjoining the waterway.

We appear before you today to urge approval of the full $6 million recommended by the budget to continue construction of Jackson lock and dam during fiscal 1959. This navigation structure, for which ground was broken in 1956, is being built in the waterway's lower reaches approximately 119 river miles above Mobile and 23 miles northwest of Jackson, Ala. It is scheduled for completion in 1962 at an estimated cost of $23,600,000. Appropriations to date total $2,450,000

Jackson lock and dam is urgently needed, especially in view of the waterway's increasingly important role in the economy of the river valley and the State of Alabama. According to the latest official figures, commerce transported over the Warrior-Tombigbee barge channel totaled 4,409,240 tons in 1956—the fourth successive year in which a new record was established—and, based on the increased number of lockages last year, we are confident that a volume of approximately 5 million tons was moved in 1957.

Replaced by Jackson lock and dam will be existing locks and dams 1, 2, and 3 constructed between 1909 and 1915 and designed originally to maintain a 6-foot navigation channel. The locks are only 52 feet wide and 281 feet long at dam 1 and 286 feet long at dams 2 and 3. Major features of the new project will include a 600-by-110-foot lock with a maximum lift of 34 feet, a gated spillway having an overall length of 536 feet and a fixed crest concrete-gravity spillway 640 feet long. In addition, a 4,800-foot cut-off canal will be dredged across a bend of the river to bypass lock and dam 1 and save about 4 miles of travel.

The present navigation structures and unfavorable river conditions cause tows costly and prolonged delays. During high or rapidly rising stages, swift-flowing currents make it necessary for large upbound tows to break their formations and "double trip" this reach, an operation which consumes considerably more time than normally required. At the existing locks, tows are frequently delayed for hours between the time a rising stage floods the lock chambers and the time sufficient depth is reached to permit "over dam" navigation.

Low flows present equally, if not more serious problems to both upbound and downbound tows. In many instances, vessels are grounded, or must tie up to avoid grounding and await dredging or a favorable rise in the river. At several points, the channel is so narrowed by shoals that "double tripping" often becomes necessary. Low flows also force operators to load barges light during much of the year, further reducing the efficiency and economy of their service.

Other unusual navigation delays result from mechanical breakdowns at locks 1, 2, and 3; closures to permit removal of silt which accumulates in the chambers during high flow; excessive locking time, and congestion caused by tows waiting their turn to lock through.

The obsolete dimensions of locks 1, 2, and 3 limit their capacity to only 4 of the relatively small Warrior-type barges (140 feet by 25 feet) or 3 such barges and a towboat. Thus, the multibarge tows which move most of the waterway's commerce must break formation and at each structure make double or triple lockages. For an 11-barge tow, this requires a total of approximately 13½ hours per round trip. Smaller, single lockage tows now consume 3 hours per voyage in lockages. The new lock will accommodate all size tows on the waterway in a single 30-minute operation, thereby saving large tows up to 12½ hours per round trip and small tows 2 hours.

The pool behind the Jackson Dam will extend upstream approximately 98 miles to the modern Demopolis lock and dam. It will have a normal elevation of 33 feet, an increase of 22 feet over the dam 1 pool and 10 over the dam 2 pool. This deeper, wider, more stable channel will overcome the existing delays and materially increase the speeds at which tows can operate.

Careful study and analysis show the improvements to be effected by Jackson lock and dam will save an overall total of 27.9 hours per round trip for large tows and 13.5

hours for small tows. In its report, the Corps of Engineers found the benefit-cost ratio to be 1.51:1.

We sincerely and earnestly urge the appropriation of the budgeted amount for Jackson lock and dam for fiscal 1959 in order that this fully justified and critically needed project will be completed as early as possible.

Jackson lock and dam is the third modern navigation structure to be built on the Warrior-Tombigbee Waterway. The first, Demopolis lock and dam, was completed in 1955 as a replacement for 4 obsolete projects and the second, Warrior lock and dam, is now virtually completed as a replacement for 2 old structures. These 3 new locks and dams will modernize the waterway from its mouth at Mobile to Tuscaloosa, a distance of approximately 350 river miles.

The next step is construction of Holt lock and dam (formerly referred to as new lock and dam 13) to modernize the waterway between Tuscaloosa and the John Hollis Bankhead lock and dam, the uppermost navigation structure. Replaced by the new project will be existing locks and dams 13, 14, 15, and 16, located between mile 360 and mile 377.

An examination of Corps of Engineer compilations clearly indicates the rapidly growing use to which this reach is being put. Between 1949 and 1956, traffic above Tuscaloosa increased from 833,493 tons to 2,215,525 tons, a gain of 165 percent, while total waterway shipments went from 2,189,594 to 4,409,240, an increase of about 101 percent. Analysis also shows that only 38 percent of the waterway's total commerce moved through locks 13, 14, 15, and 16 in 1949, but that slightly more than 50 percent used these structures in 1956.

On March 14, 1958, the Mobile district engineer completed a project report on Holt lock and dam, and this study is now being reviewed by the South Atlantic division engineer. Earlier in the year, on January 24, the district engineer conducted a public hearing in Tuscaloosa, at which local interests expressed unanimous approval of the project.

We understand that the most feasible plan of improvement proposes the construction of Holt lock and dam at a point 2,800 feet downstream from present lock 13. The project will include a gated spillway and a lock 600 feet long and 110 feet wide with a maximum lift of 63.6 feet. Provision will be made for a powerplant.

Congressional authorization for the navigation structures is contained in section 6 of the River and Harbor Act of 1909. While no authorization is presently available for the Federal installation of generating facilities, authority does exist under section 12 of the River and Harbor Act of 1912 to make suitable provision in the navigation structures for the future addition of power features. In this connection, Alabama Power Co. has manifested its interest in Holt lock and dam by obtaining a preliminary permit from the Federal Power Commission to build the hydroelectric plant.

A major benefit to accrue from the replacement of the four small, closely spaced locks by a modern navigation structure is the reduction of lockage time. A single barge tow spends approximately 4 hours per round trip in approaching and navigating through the existing locks. The large tows of 7 to 11 Warrior-type barges must make double or triple lockages, consuming 12 and 18 hours per round trip, respectively. When double and triple lockages are made, tractors along the bank pull the barges from the locks. Because of the narrow clearance between the barges and the lock walls and sills, this is a slow and tedious operation, especially during periods of low flow.

The new lock, with a depth of at least 13 feet over its sills, will eliminate the need for double and triple lockages and accommodate the largest tow in use on the waterway in a single operation of 25 to 30 minutes.

Holt lock and dam also will end traffic congestion already a serious problem and one that is becoming more pressing as traffic continues to increase. All tows, irrespective of size or type, frequently lose considerable time when forced to stop and wait for other vessels to complete their lockages. This works a particularly severe hardship on small, single-lockage tows. When one of these arrives at either end of the lock 13–16 reach behind a double or triple lockage tow, it is unable to complete its lockage and make up enough time to overtake the larger tow unless the latter purposely slows down. Following a multibarge tow through all 4 locks delays the small tow by 10 to 12 hours. Locking behind a large tow at 1, 2 or 3 of the structures will delay the small tow approximately 2.5, and 7.5 hours, respectively.

The single, deeper, wider pool behind the new dam will enable tows to operate at much faster speeds, further reducing round trip travel time. It is estimated that speeds will be increased from 4 to 5 miles per hour for all large tows, and from about 4 to more than 6 miles per hour for the average single barge tow.

Another problem that will be overcome is the interruption of traffic due to high water conditions at the locks. Although dams 13, 14, 15, and 16 are low in height, it is not feasible for tows to navigate over them during periods of flood because of the structures' masonry crests. Records show that from 1944 to 1954 lock 13 was closed 79 days and locks 14, 15, and 16 for periods of from 21 to 29 days.

By reducing lockage time, increasing towing speeds, and eliminating navigation hazards, unusual delays and traffic congestion, it is estimated that Holt lock and dam will reduce the round trip travel time of an average large tow by at least 20 hours. This estimate was determined by comparing the operating efficiency along an 18-mile reach of the waterway canalized by the new Demopolis lock and dam with that of the reach served by locks 13 through 16. An examination of towboat logs showed that an average of 7 hours was required to navigate the Demopolis lock and dam reach one way while an average of 17 hours was required between locks 13 and 16.

The growing importance of water transportation to the economy of the 16 river valley counties and to Alabama as a whole makes it imperative that the waterway above Tuscaloosa be brought to the same standards as those that have been or will be provided below Tuscaloosa by the modern Warrior, Demopolis and Jackson locks and dams. Completion of Holt lock and dam will eliminate the last of the Warrior-Tombigbee's original 17 navigation structures, except for the John Hollis Bankhead lock and dam which ultimately may be modernized but which won't be replaced.

We hope the Holt project report will clear Corps of Engineer channels in time to permit the present Congress to consider an appropriation of advance planning funds for fiscal 1959. We earnestly urge that this project be given favorable attention when it comes before this committee.

We very much appreciate the opportunity of appearing here today and we thank you for your attention.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. McCORMACK, for 10 minutes, today.

Mrs. ROGERS of Massachusetts, for 10 minutes, Monday.

EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the CONGRESSIONAL RECORD, or to revise and extend remarks, was granted to:

Mr. LANE.
Mr. PRICE.
Mr. HILLINGS.
Mr. REED.
Mr. PELLY.

Mr. FRELINGHUYSEN and include the results of a questionnaire which he took in his District.

Mr. MULTER (at the request of Mr. PRESTON) and include extraneous matter.

SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 3500. An act to require the full and fair disclosure of certain information in connection with the distribution of new automobiles in commerce, and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 3502. An act to amend the Federal Airport Act in order to extend the time for making grants under the provisions of such act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

ADJOURNMENT

Mr. PRESTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 6 minutes p. m.), under its previous order, the House adjourned until Monday, May 19, 1958, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1918. A letter from the Assistant Secretary of Defense (Supply and Logistics), transmitting reports submitted by the Departments of the Army, Navy, and Air Force, listing individual procurement actions negotiated during the period July 1 through December 31, 1957, pursuant to title 10 United States Code, section 2304 (e); to the Committee on Armed Services.

1919. A letter from the Attorney General, transmitting a report which presents a study of the newsprint industry, together with a survey of the current status of outstanding voluntary agreements and programs which receive continuous review by the Department of Justice, pursuant to section 708 (e) of the Defense Production Act of 1950; to the Committee on Banking and Currency.

1920. A letter from the Attorney General, transmitting a draft of proposed legislation entitled "A bill to amend section 2412 (b), title 28, United States Code, with respect to the taxation of costs"; to the Committee on the Judiciary.

1921. A letter from the Assistant Director, Bureau of the Budget, Executive Office of the President, transmitting a plan for works of improvement of the Elm River watershed project, North Dakota, pursuant to the Watershed Protection and Flood Prevention

Act, as amended (16 U. S. C. 1005), and Executive Order No. 10654 of January 20, 1956; to the Committee on Public Works.

PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. FRIEDEL:

H. R. 12521. A bill to authorize the Clerk of the House of Representatives to withhold certain amounts due employees of the House of Representatives; to the Committee on House Administration.

By Mr. MOORE:

H. R. 12522. A bill to extend for 2 years the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes; to the Committee on Ways and Means.

By Mr. O'HARA of Illinois:

H. R. 12523. A bill to amend title I of the Housing Act of 1949 to give business concerns which are displaced from certain urban renewal areas a priority of opportunity to purchase or lease commercial or industrial facilities provided in connection with the redevelopment of such areas; to the Committee on Banking and Currency.

By Mr. REED:

H. R. 12524. A bill to discontinue Federal grants for vocational education and for construction of waste treatment facilities, and to reduce the Federal excise tax on local telephone service to assist the States in assuming financial responsibility for these programs; to the Committee on Ways and Means.

By Mrs. SULLIVAN:

H. R. 12525. A bill to authorize the Interstate Commerce Commission to establish and enforce standards for the safety of railroad tracks and roadbeds, and supporting structures, used by common carriers engaged in interstate commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. WITHROW:

H. R. 12526. A bill to extend for 2 years the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes; to the Committee on Ways and Means.

By Mr. YOUNG:

H. R. 12527. A bill relating to the procedure for altering certain bridges over navigable waters; to the Committee on Public Works.

By Mr. BLATNIK:

H. R. 12528. A bill to amend the public assistance provisions of the Social Security Act so as to enable States to establish more adequate general assistance programs; to the Committee on Ways and Means.

By Mr. HENDERSON:

H. R. 12529. A bill to extend for 2 years the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes; to the Committee on Ways and Means.

By Mr. MACK of Washington:

H. R. 12530. A bill to extend for 2 years the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes; to the Committee on Ways and Means.

By Mr. RUTHERFORD:

H. R. 12531. A bill to amend the Agricultural Adjustment Act of 1938, as amended, to permit the State committee to allocate from the acreage of extra long staple cotton reserved under section 344 (e) of the act an amount not to exceed 1½ percent of the State acreage allotment to farms for the production of high quality extra long staple cottonseed and for other purposes; to the Committee on Agriculture.

By Mr. UTT:

H. R. 12532. A bill to extend for 2 years the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes; to the Committee on Ways and Means.

By Mr. VAN ZANDT:

H. R. 12533. A bill to authorize appropriations for the Atomic Energy Commission in accordance with section 261 of the Atomic Energy Act of 1954, as amended, and for other purposes; to the Joint Committee on Atomic Energy.

By Mr. FRELINGHUYSEN:

H. R. 12534. A bill to establish a Joint Committee on Foreign Intelligence; to the Committee on Rules.

By Mr. POWELL:

H. R. 12535. A bill providing relief against certain forms of discrimination in interstate transportation and facilities furnished or connected therewith; to the Committee on Interstate and Foreign Commerce.

H. R. 12536. A bill to secure, protect, and strengthen the civil rights accruing to individuals under the Constitution and laws of the United States; to the Committee on the Judiciary.

H. R. 12537. A bill to extend to uniformed members of the Armed Forces the same protection against bodily attack as is now granted to personnel of the Coast Guard; to the Committee on the Judiciary.

H. R. 12538. A bill to provide that Federal funds shall not be used for loans, grants, or other financial assistance to provide housing with respect to which there is any discrimination against occupancy on account of race, religion, color, ancestry, or national origin; to the Committee on Banking and Currency.

By Mr. BARING:

H. J. Res. 607. Joint resolution to establish a joint committee to investigate the gold mining industry; to the Committee on Rules.

By Mr. FOGARTY:

H. J. Res. 608. Joint resolution requesting the President to proclaim the month of August 15, 1958, to September 15, 1958, inclusive, as National Allergy Month; to the Committee on the Judiciary.

By Mr. FULTON:

H. Con. Res. 329. Concurrent resolution relative to the establishment of plans for the peaceful exploration of outer space; to the Committee on Foreign Affairs.

By Mr. NATCHER:

H. Con. Res. 330. Concurrent resolution relative to the establishment of plans for the peaceful exploration of outer space; to the Committee on Foreign Affairs.

By Mr. FRIEDEL:

H. Res. 565. Resolution providing for the employment of two additional assistants in the document room, Office of the Doorkeeper; to the Committee on House Administration.

H. Res. 566. Resolution relating to certain positions in the Office of the Doorkeeper of the House of Representatives; to the Committee on House Administration.

H. Res. 567. Resolution authorizing the employment of additional personnel, Office of the Clerk of the House; to the Committee on House Administration.

H. Res. 568. Resolution fixing the basic compensation of the expert transcribers, Office of the Official Committee Reporters of the House; to the Committee on House Administration.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. MULTER:

H. R. 12539. A bill for the relief of Salomon Chehebar; to the Committee on the Judiciary.

By Mr. WALTER:

H. J. Res. 609. Joint resolution for the relief of certain aliens; to the Committee on the Judiciary.

H. J. Res. 610. Joint resolution to facilitate the admission into the United States of certain aliens; to the Committee on the Judiciary.

H. J. Res. 611. Joint resolution to waive certain provisions of section 212 (a) of the Immigration and Nationality Act in behalf of certain aliens; to the Committee on the Judiciary.

EXTENSIONS OF REMARKS

Legislation Entitled "First Strengthening of State Governments"

EXTENSION OF REMARKS

OF

HON. DANIEL A. REED

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 15, 1958

Mr. REED. Mr. Speaker, I have today introduced legislation that would return to the States the primary responsibility with respect to certain governmental services and that would make available to the States revenue now utilized by the Federal Government. I have introduced this legislation as the ranking Republican member on the House Committee on Ways and Means at the request of the administration so that it may be available for public study and consideration. My sponsorship should not be construed to indicate that I have determined my position in regard to this legislation.

The administration has recommended this proposal as a consequence of a study and recommendation made by the Joint Federal-State Action Committee consisting of representatives of the executive branch of the Federal Government and governors who were appointed to the committee by the chairman of the governors' conference.

The President of the United States outlined the purposes and objectives of this committee in an address before the conference of governors in Williamsburg, Va., on June 24, 1957. At that time the President stated as follows:

I suggest, therefore, that this conference join with the Federal administration in creating a task force for action, a joint committee charged with three responsibilities:

One. To designate functions which the States are ready and willing to assume and finance that are now performed or financed wholly or in part by the Federal Government;

Two. To recommend the Federal and State revenue adjustments required to enable the States to assume such functions; and

Three. To identify functions and responsibilities likely to require State or Federal attention in the future and to recommend the level of State effort, or Federal effort, or both, that will be needed to assure effective action.

I strongly support sound efforts to bring about a reallocation of governmental responsibility among the Federal-State and local echelons of government so as to retrench from our posture of the present tremendous centralization of power at the Federal level. I am convinced that many of the governmental goods and services now made available by the Federal Government could be more efficiently and meaningfully made available through State or local governmental activities. The administration-recommended legislation that I have today introduced purports to take modest steps in that direction. It is my expectation that the careful study the legislation will receive as a consequence of its introduction will permit a determination as to whether or not the suggested approach set forth in the legislation is a sound and proper one.

Work Opportunities for Graduates of Colleges and High Schools

EXTENSION OF REMARKS

OF

HON. MILTON R. YOUNG

OF NORTH DAKOTA

IN THE SENATE OF THE UNITED STATES

Thursday, May 15, 1958

Mr. YOUNG. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD a statement I have prepared on the subject, Creating More Job Opportunities for Individuals Leaving the Farms and for the New Graduates of Our Colleges and High Schools.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

CREATING MORE JOB OPPORTUNITIES FOR INDIVIDUALS LEAVING THE FARMS AND FOR THE NEW GRADUATES OF OUR COLLEGES AND HIGH SCHOOLS

A grassroots effort on the part of the citizens of North Dakota to meet the problems of a changing economy in the United States and in the world which is altering the way of life in North Dakota is sufficiently important, I believe, to be brought to the attention of Congress. North Dakota, as an agricultural State, is not alone in facing this problem. This is a further reason I feel it important to call to the attention of Congress the excellent progress of the relatively new North Dakota Economic Development Commission.

This commission was created in 1957 by the North Dakota Legislature and consists of the Governor and eight members appointed by him. The first meeting was held in the Governor's office in July 1957. Present, in addition to Gov. John E. Davis, were all eight members, comprising as representative and capable a group of citizens as could be found anywhere to analyze and do something about the economic problems and opportunities of our State. The commission members are: Richard H. Barry, of Fargo; John R. Bernabucci, of Jamestown; Andrew L. Freeman, of Grand Forks; Harold Hofstrand, of Leeds; Wesley Keller, of Minot; Harold Kelly, of Devils Lake; James A. O'Brien, of Dickinson; and Harold Shafer, of Bismarck.

The first order of business at this first meeting was to adopt certain principles and to select an initial list of objectives. Among these were the following:

(a) To go to the grassroots and encourage every community in the State to analyze its opportunities and economic problems. The commission felt that 90 citizens might be 10 times as effective as the 9 commission members working alone and that 900 citizens might be 100 times as effective. They felt that since ideas and suggestions are often born in unusual and surprising ways, the more people working with the commission, the better its chances of steady, if not spectacular, progress.

(b) To segregate and identify the problems which cannot be solved on a community level, such as certain inequities in the Federal income tax laws, and to establish subcommittees to explore the practical steps to be taken.

(c) To keep constantly in mind that the largest source of income in North Dakota is from agriculture and that agriculture serves as the foundation upon which a substantial part of the entire State's economy rests.

By September the commission had the good fortune of finding a capable full time executive director with the experience and the aptitude to stimulate the grassroots action, as well as possessing the imagination and coordinating ability to keep other phases of the commission's program rolling. This director, Lawrence A. Schneider, and the members of the commission have in recent months been planting seed, so to speak, in the minds of farmers and community leaders in every section of North Dakota. Progress from this type of activity is not immediate, but when it appears it is usually sound.

A couple of weeks ago, the North Dakota Economic Development Commission brought to my attention a problem which cannot be solved at the community level. I presented their proposal to the Senator from Alabama [Mr. SPARKMAN], chairman of the Select Committee on Small Business. In a letter to me dated April 22, the Senator from Alabama stated: "It appears to me that all the points made by the commission are valid. I am asking the staff of the committee to determine to what extent these additional provisions should be prepared as amendments to our omnibus small business tax relief bill." The points to which the Senator from Alabama referred are contained in the following resolution adopted by the North Dakota Economic Development Commission at a meeting held on April 7, 1958, in Gwinner, N. Dak., in the plant of the Melroe Manufacturing Co., which incidentally is one of the most inspirational examples of grassroots endeavor in North Dakota, or for that matter, in the entire United States.

"Whereas investment capital and long-term capital for: (a) The development of this State's natural resources; (b) the growth of small locally owned industries; and (c) risk capital for new inventions is in short supply in North Dakota; and

"Whereas North Dakota is confronted with a serious and complex problem to provide within its borders more job opportunities for individuals leaving the farms and for the new graduates each year of our colleges and high schools; and

"Whereas the Internal Revenue Code of the United States contributes to the previously mentioned short supply of local capital because of certain inequities in the code; and

"Whereas North Dakota should join with other States with similar problems and conceivably leadership can be crystallized by the commissions similar to the North Dakota Economic Development Commission which exist in most of the other 47 States: Therefore, be it

"*Resolved*, That the Governor of North Dakota send to the Members of Congress from North Dakota and to the governors in the other 47 States for the attention and support of their economic development or similar commissions the following recommendations related to the Internal Revenue Code of the United States:

"1. That the present $1,000 limitation which may be taken in any one year as a capital loss by the investor in the stock of a small- or medium-sized business be increased from $1,000 to a more realistic amount.

"2. Permit the costs of selling capital stock in small- or medium-sized companies with net worths below $1 million to be treated as an operating expense not to exceed 10 percent of the amount of the issue to correspond with the principle permitted by the code in connection with expenses created in raising long-term loans.

"3. Permit the costs in the form of dividends on temporary capital such as preferred stock callable in less than 10 annual installments to be treated as an operating expense the same as interest, recognizing that there is already at least two precedents in the code for the treatment of dividends on preferred stock as an operating expense.

"4. Permit companies with net worths below $1 million and which are not subsidiaries or affiliates of other corporations to have a 10-year period to build up their capital from earnings by having the surtax rate on annual profits start at $50,000 instead of $25,000.

"5. That Congress study ways and means of permitting private enterprise to deal with certain blighted areas of local communities including the creation of increased automobile parking space by permitting the owners to treat as an operating expense or capital loss the expense of demolishing old commercial and dwelling structures.

"6. That support be given to United States Senate bill 3194 known as the small business tax-adjustment bill of 1958, cosponsored by 36 Senators as of March 21, 1958, and providing in part for the installment payment of estate taxes, permitting farmers and businesses alternative methods of depreciation on used as well as new machinery and equipment."

Nineteen Hundred and Fifty-eight Opinion Poll

EXTENSION OF REMARKS

OF

HON. PETER FRELINGHUYSEN, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 15, 1958

Mr. FRELINGHUYSEN. Mr. Speaker, each Congress I have made it a practice to send out a questionnaire to my constituents, seeking their views on major national issues. I have found this a most valuable method of keeping

abreast of opinion in my area, and of affording the residents of my District an opportunity of registering their feelings on major problems confronting their National Legislature.

Believing the results of this questionnaire might be of interest to my colleagues, under leave to extend my remarks I should like to include the following figures:

1958 questionnaire

[Total questionnaires, 5,873]

Question	Yes	Percent	No	Percent	No opinion	Percent
1. Do you believe that recent evidences of Soviet technological achievements indicate the need for greater Federal expenditures for national defense?	3,469	59.1	1,922	32.7	482	8.2
2. Do you believe a need is indicated for greater Federal expenditures to improve the American education system?	3,990	67.9	1,623	27.6	260	4.5
3. Do you believe Congress should press for greater unification of the armed services in the Defense Department?	5,027	85.6	541	9.2	305	5.2
4. Would you favor complete unification of the armed services, putting all servicemen in a single uniform and reorganizing the Department on the basis of strategic mission assignments?	2,411	41.1	2,799	47.7	663	11.2
5. Do you favor cuts in nondefense Federal programs such as agriculture, water resource development, etc., in order to permit larger expenditures for national defense and scientific development?	2,362	40.2	3,036	51.7	475	8.1
6. Do you consider the mutual security program an essential part of our national defense effort?	4,223	71.9	522	8.9	1,128	19.2
7. Do you favor enactment of President Eisenhower's reciprocal trade program?	3,945	67.2	594	10.1	1,334	22.7
8. If a choice had to be made between retaining a balanced budget and providing adequate funds for national security, do you believe 1st priority should be given to national security?	5,161	87.9	412	7.0	300	5.1
9. Do you favor Federal legislation aimed at preventing the misuse of labor-management welfare and pension funds?	5,412	92.2	305	5.2	156	2.6
10. Do you believe Congress should go beyond welfare-fund legislation and attempt to police general union finances, election procedures, etc.?	3,615	61.6	1,839	31.3	419	7.1

Armed Forces Week

EXTENSION OF REMARKS
OF
HON. FREDERICK G. PAYNE
OF MAINE
IN THE SENATE OF THE UNITED STATES

Thursday, May 15, 1958

Mr. PAYNE. Mr. President, this week has been designated as Armed Forces Week in recognition of the role which our military services play in maintaining the strength and security of America. The State of Maine, which is one of the Nation's key strategic areas, is deeply honored that the able and distinguished Secretary of the Army, the Honorable Wilber Brucker, is the principal speaker at the Armed Forces Week dinner being held tonight in Portland, Maine. Mr. Brucker has prepared a very fine address for this occasion.

Mr. President, I ask unanimous consent that a statement which I have prepared on Armed Forces Day and the speech of the Secretary of the Army to be delivered at the Armed Forces Week dinner in Portland, Maine, be printed in the RECORD.

There being no objection, the statement and speech was ordered to be printed in the RECORD, as follows:

STATEMENT ON ARMED FORCES DAY BY SENATOR PAYNE

On Armed Forces Day 1958, we find ourselves on the threshold of a complete revolution in military technology. We have long since passed the era of the dashing horse cavalry of the Civil War, and the demoralizing trench warfare of World War I. Yes, we have even progressed far beyond the artillery, the blockbusters, the propeller-driven bombers, and the battleships of World War II and the Korean war. Today, we are entering the age of guided missiles with atomic warheads, antimissile missiles, supersonic bombers, hydrogen bombs, atomic-powered ships and aircraft, and hundreds of other devices which permit man to destroy his enemies by the thousands and hundreds of thousands.

But with all of these weapons of mass destruction, the basic strength of our military power lies not in its technology, however destructive it may be, but in its personnel. Because of the very destructiveness of the offensive and defensive weapons surrounding him, the fighting man today is no longer concerned with military matters of limited scope. By firing one atomic shell, by releasing one bomb, by launching one missile, he is capable of destroying entire cities and countless lives.

On the defensive his responsibilities and capabilities are even greater. The one enemy airplane or missile he succeeds in destroying can save an entire Nation. The radar screen he watches can be the key to our Nation's survival.

The individual military man, therefore, can be in many ways the deciding factor in a modern war. He must understand the technology of the most complex military devices ever created. He must understand the psychology of his enemy. He must be able to discern in an instant whether or not the speck on his radar screen is an enemy invader. In short, he must possess enough foresight, enough intelligence, enough ability, and enough competence to protect an entire Nation.

He is the balance of power in the world. No number of missiles, no number of hydrogen bombs can protect our country without the military man who understands the technology and use of these weapons.

To repeat, warfare is undergoing revolutionary change. We must not make the error of believing that this change is one from an age of men pitted against men to machines against machines. The change in warfare today is one to an era in which man assumes an even greater role in matters of judgment and responsibility.

In this age of supertechnology, therefore, the need for highly trained, stable, responsible servicemen is infinitely greater than it has ever been before. More than ever we need a large steady core in our armed services of competent, responsible individuals who can understand both the capabilities of our superweapons and the implications of their use. In our military program we must put at least as much emphasis on securing and retaining such personnel as we do in improving weapons.

On Armed Forces Day, when the implements of modern warfare are usually stressed it is even more vital to recognize the man behind the gun. Without him these implements would be useless. With him they make us the best defended Nation in the world.

ADDRESS BY HON. WILBER M. BRUCKER, SECRETARY OF THE ARMY, AT ARMED FORCES WEEK DINNER, GREATER PORTLAND CHAMBER OF COMMERCE, PORTLAND, MAINE, MAY 15, 1958

It is a pleasure for me to be here this evening. I consider it a privilege indeed to have this opportunity to meet and talk with so many civic-minded citizens of dynamic Portland.

This afternoon, as I visited many of your historic sites, I was forcefully reminded of the rich and courageous past of this city, thrice risen from the ashes, active participant for nearly 3 centuries in the building of the American tradition, the home of countless brave and hardy men who fought in all our country's wars on land and sea. I was particularly impressed with your harbor, the port of call for ships of many nations. It is only natural that a city which has played such a long and continuous role in international commerce, and the development of the United States, should have an abiding interest in world affairs and the security of our Nation.

Our attention is focused today upon the most important material aspect of our security, the impressive military strength of America, arrayed in the cause of peace and justice. When we consider the clearly visible evidence that the Communist conspiracy, which has already seized control of 15 nations and one-third of all the people on earth, is still belligerently on the march toward its announced goal of world domination, we have good reason to be very thankful every hour of every day for our Armed Forces, the sturdy guardians of our freedom and our national integrity.

America is confronted with a world situation fraught with graver peril than any she has ever before faced in all her history. Let there be no shadow of a doubt about that in any of our minds. No amount of Soviet sophistry can obscure the plain fact that our own beloved United States, leader of the nations of the Free World in the mortal struggle against Communist aggression, the most formidable obstacle athwart the Communist path to global conquest, is the ultimate target of every Soviet plot and action.

The dangerous tensions and fundamental conflicts which exist in so many parts of the world today underscore our imperative need to be prepared for every eventuality. It is the combined strength and versatility of our Armed Forces, our Army, Navy, Marine Corps, and Air Force, integrated in a great defense team, the sustaining power of a worldwide system of collective defense linking the United States and 45 other nations, which deters the Soviets from unleashing the might of the largest mobilized military forces in the world in an effort to achieve their goal.

The essence of our military strength is unity. Anyone who participated in the global campaigns of World War II, or has studied them, must recognize the complete interdependence of ground, sea, and air fighting elements in this modern era. The inexorable advance of science and technology has wiped out for all time the conditions which in years long past made possible the successful waging of war by separate forces. When we consider the lightning pace

and the complex nature of a future war, which might involve on both sides tactical and strategic nuclear weapons of vast power, extremely accurate long-range ballistic missiles with thermonuclear warheads, antimissile missiles, and even such things as space vehicles and space platforms, it becomes clearly evident that nothing less will suffice for our national security than welding the various specialized capabilities of our military services into a fighting instrument able to respond instantaneously with all appropriate force in any emergency.

Our present military organization was created on that concept, and it has been progressively improved as experience dictated in order to keep up with the swift progress of technology and the march of world events. Our Commander in Chief, President Eisenhower, has recently taken steps to effect a further reorganization of the Defense Department designed to achieve even greater unity and effectiveness in military planning and operations both in peace and war. I need hardly say to you that the Army wholeheartedly supports the President in his effort to insure that America's strategic requirements are fully satisfied. Certainly no service partisanship which stands in the way of forging the strongest possible defense for our Nation could be tolerable in this age of constant peril. Your Army has always been a team player, and it will continue to discharge its full responsibilities as a member of our mighty defense team under all circumstances.

I do not see anything in the President's plan which threatens to wipe out the individual characters and capabilities of the several services, to destroy their indispensable esprit de corps, or stifle that healthy spirit of competition which is the driving force of all real progress. It will not create a military czardom or a Prussian-type military staff. It will not undermine the constitutional authority of the Congress. It will, however, serve to further enhance the flexibility of our military organization, and increase the speed and effectiveness of our response to any challenge. It is just good, hard, American common sense.

The Sino-Soviet bloc has more than 8 million men under arms at this very moment. Communist forces include over 400 ground divisions, 500 far-ranging submarines, and more than 25,000 modern aircraft. These figures are particularly significant when we realize that at the high point of World War II Germany, Austria, and Italy had less than 400 divisions, and that a German force of only 100 U-boats nearly succeeded in severing the ocean lifelines of the Western Allies. The mere number of divisions, ships, and planes tells only part of the story. We must also take into account the fact that today the Soviets possess powerful nuclear weapons and efficient means of long-range delivery which dwarf into insignificance anything which was in the hands of the Axis Powers. Tremendous improvements have been made in other weapons and equipment during the last decade which vastly enhance the capability of ground forces. Furthermore, the Soviets are concentrating almost all of their best scientific and engineering talent on the frenzied development and production of ultra-modern weapons and other technological devices in an all-out effort to place in the hands of the plotters of the Kremlin the power to dominate the land, the sea, the air, and even outer space.

Certainly we must recognize that in a time of peace, the Soviet Union is on a war footing. Its military might is the clenched fist with which Communist leaders have promised to smash us. They are ready and waiting to move in swiftly for the kill if they should ever catch us with our guard down.

The twin questions certainly uppermost in the minds of most Americans are: "How can we expect the Soviets to use their power?" and "How can we best defend ourselves against it?"

Because of the growth of atomic stockpiles, general nuclear war, fought to its inevitable conclusion, could result in nothing short of disaster for all participants. In the present situation, with an abundance of powerful retaliatory weapons on both sides of the line, it is illogical to believe that the Soviet Russians, who obviously covet the palpable rewards of world mastery rather than the charred remnants of civilization, would irrationally abandon all hopes of profit, and invite the almost certain destruction of their own country, by intentionally launching a suicidal nuclear conflict. Therefore, we must regard limited aggression, with a succession of limited, attainable, profitable objectives, as by far the most likely form in which the Soviets will employ their military power to carry forward their ruthless program of conquest.

Local wars, fomented civil strife, military intimidation, and similar forms of limited operations are all down in the Soviet book as very practical methods by which they might achieve their ultimate purpose without ever challenging our nuclear retaliatory power. The Soviet Union has been employing this strategy for over a decade, and we see on every hand ample evidence that they are pursuing it today with unabated zeal.

In the few short years since the end of World War II, the Soviets and their allies have engaged in 8 local wars and military actions designed to advance their interests, and ever-increasing military, economic, political, and psychological pressures are being used to divide, confuse, and weaken the Free World.

In Asia and Africa, the Soviet Union is strenuously fomenting unrest, and attempting to corrupt nationalistic aspirations in order to create situations which lend themselves to Soviet aggrandizement. We have seen it at work maliciously meddling in the Middle East in the hope of gaining a solid foothold in that area of tremendous economic and strategic importance.

By every kind of sordid chicanery the Soviets are attempting to soften up and destroy the North Atlantic Treaty Organization because they know that they cannot seize and profitably exploit the rich prize of Western Europe, stepping stone to the conquest of America, as long as the nations of the Atlantic community maintain their interlocking military strength and their moral cohesion.

For a long time, dedicated statesmen of the Free World have labored incessantly but fruitlessly to negotiate with the Soviet Union some sound basis for the limitation of armaments, and the permanent reduction of the nuclear peril which hangs over the world. Now, after stubbornly refusing to try to work out any agreement which might lead even to a first step toward genuine disarmament, the Soviets have come forth with the announcement, cunningly calculated to prey upon the prejudice and fear of millions of people, that they are unilaterally suspending nuclear tests. They make abundantly clear that this is a blackmailing scheme by pointing out that they, and they alone, will decide when and if such testing should be resumed.

We can hardly consider this move as anything but a cynical attempt to turn the tremendously serious business of armament control, and the easing of world tensions, into a cheap propaganda farce which the Soviet Union can exploit to its own advantage. It serves in no way to advance the cause of peace and justice, but only to confuse the issue and obstruct real progress toward a settlement of nuclear issues.

In order to judge the sincerity of the Soviets, we have only to consider their long record of broken covenants and completely sterile promises, and the utter moral bankruptcy of their system. We have only to remember that they still refuse to allow one positive step to be taken toward the reunification of Germany, Vietnam, or Korea. We have only to contemplate the spectacle of Khrushchev speaking unctuously of peace, and appealing to America to follow the example of Soviet Russia, as he stood on the violated soil of Hungary, soil soaked with the blood of patriots who were massacred by his troops only a year and a half ago when they sought to throw off the unbearable yoke of Soviet brutality. Hungary remains a constant and explicit warning to all free nations. We forget Hungary at our mortal peril.

In order to distract attention from its plots and counterplots, and the increasing menace of its military power, the Kremlin trumpets the diabolical charge that Americans advocate preventive war. However, the whole world outside the Iron Curtain has good reason to know that, on the contrary, America stands forthrightly for peace, and the peaceful triumph of the highest principles of our Christian civilization. Our constitutional form of government with its built-in guaranties against the sudden initiation of war, our history of moral idealism, and the ingrained habits of mind which underlie the American way of life furnish compelling evidence that we could never resort to aggression.

If war comes, it will not be of our choosing. We stand before the world with clean hands and a clear conscience, clothed not only in the mantle of moral sincerity, but also in the armor of material strength. The best guarantee of peace, the surest deterrent to war, is a degree of strength which discourages any potential enemy from launching aggression.

The concept that we might safely rely upon a single type of defensive capability, such as massive retaliation, is completely invalid. It is entirely unresponsive to the requirement for balanced forces which make available the specific type, degree, and distribution of power required to cope with any conceivable situation without destroying the fabric of our civilization.

It is significant that the Soviets have enthusiastically embraced the balanced force concept; that they are building and maintaining huge, modern, well-equipped, and well-trained ground forces capable of effectively participating either in a massive assault, or in local military operations designed to drag one country after another behind the Iron Curtain should we give them the opportunity.

It would be tragic indeed if we were less well prepared for limited war than we are for the far less likely contingency of all-out nuclear war. If that were the case, only two courses of action would be open to us in the event the Communists launched limited aggression: We would either have to let them get away with conquest on the installment plan, which would be disastrous to us in the long run; or we would have to pursue the course of desperation by precipitating the suicidal nuclear holocaust we are striving by every means to prevent.

No amount of talk about the vast power of strategic nuclear weapons can obscure the pressing necessity for the balanced forces which are required to face the Soviet troops ranged against our own and those of our allies in the front lines all along the Iron and the Bamboo Curtains. Furthermore, advanced weapons systems, strategic missiles, and manned bombers, although absolutely essential to the effectiveness of our combined forces, and thus to the deterrence of aggression, will never be able to win any war alone. No final decision can be obtained by remote control. Ever since the first crude machines of war were contrived to extend the capabilities of man, all down through the years to

the age of nuclear weapons and guided missiles, there have always been those who have needed to be shown again and again that it is the fighting man on the ground who is the fundamental element of warfare, the only ultimate weapon. In this nuclear era, strong and efficient Army forces, able to cope with any foe, any time, any place, and on any terms as part of a unified land, sea, and air command, are more essential to our national security than they ever have been in the past.

Our modern Army is characterized by balance and versatility. It is new in weapons, equipment, and organization, a new, streamlined force prepared to meet the requirements of the entire spectrum of war from an all-out nuclear conflict throughout the whole wide range of lesser enemy operations which are possible, and which would pose a grave and direct threat to the security of the United States. Our Army today has a new dual capability, a one-two punch, the ability to fight effectively with either atomic or nonatomic weapons, which is the key factor of our national power to apply military pressure with precise discrimination in order to deter aggression on the spot, anywhere in the world. Moreover, in any kind of war we might have to fight, large or small, that one-two punch would be indispensable to victory.

Our new Pentomic Division Organization, consisting of five powerful battle groups, has been carefully tailored to the exacting requirements of atomic warfare. The Pentomic airborne division with current equipment is completely air transportable across oceans and continents to any possible area of combat by swift strategic airlift, and within a battle area by tactical airlift, all in types of aircraft which are available today. The battle groups of the Pentomic infantry division can similarly be moved by strategic or tactical airlift.

Through its dynamic research and development programs, the Army has kept fully abreast of all the tremendous advances of science and technology, and is putting them to practical use in every field to enhance its power and flexibility. For example, its years of pioneering experience in rocketry are paying handsome dividends in the development of guided missiles and rockets for military purposes, and are also helping America to push back the frontiers of space.

The Army's arsenal contains more than 10 types of missiles and rockets precisely adapted to the accomplishment of its varied tasks. Tactical surface-to-surface missiles range in size from the mighty Redstone, which can deliver a nuclear warhead more than 200 miles, to the relatively tiny Dart, which is capable of destroying the heaviest tank. The Army's Nike Ajax is capable of knocking down any known type of high-level plane at any altitude and speed at which it can fly. It will soon be replaced by an even better surface-to-air weapon, Nike Hercules, which is much faster, has much greater range, and a considerably greater altitude capability. Armed with an atomic warhead, Hercules would be able to destroy whole formations of enemy bombers.

An outstanding example of the achievement of the Army's excellent military-civilian team of missile scientists, engineers, and technologists is the great 1,500-mile intermediate range ballistic missile Jupiter, which is now in production and will soon take its place in the line of America's defense. The Army Jupiter-C missile, so called because similar vehicles were used to test components of the Jupiter during the course of its development at the Army Ballistic Missile Agency in Alabama, lifted the United States into the space age on January 31 of this year when it hurled Explorer I, America's first earth satellite, into orbit. Less than 2 months later, the Jupiter-C orbited Explorer III.

All in all—counting our experience with the modified Redstone which preceded Jupiter-C as a test vehicle, the Jupiter-C, and the Jupiter itself—the Army has attempted 37 launchings of the big missiles in its Jupiter program. Twenty-eight were successful, completely successful, shots. They accomplished everything planned. Seven were partially successful—they all had good launchings, but then, for various reasons, did not entirely meet the scientific requirements which had been set up. Only two did not score at all. This record stands up against even the most wildly optimistic Soviet claims.

Although our Armed Forces provide America with a stout and durable shield of military strength on land, at sea, and in the air, it would be the grossest folly for us to conclude that we could do without the support of dependable allies. We cannot afford to allow the foundations of collective defense to crumble, because in the final analysis our own safety rests upon them.

The United States could hardly be expected to defend the whole Free World alone, yet the defense of the Free World as a whole is vital to the defense of America. This fact spells out the transcendent importance of our mutual security program. Through it we multiply our strength by assisting our friends to build and maintain their own military forces which mutually contribute as much to our protection as to their own. We are currently helping to maintain approximately 200 foreign allied ground divisions, involving 5 million soldiers; 2,500 combat vessels, and 32,000 planes, of which about 14,000 are jets. We must recognize that these divisions, ships, and planes are as truly a part of America's military shield as those within our own Armed Forces.

If America should succumb to the perennial fever for the abandonment or substantial reduction of our mutual security program, we would be faced with some very serious consequences.

1. The essential power of the Free World to resist aggression would rapidly deteriorate, since a majority of our allies, particularly those in Asia, would not be able to maintain their forces without our help.

2. In view of the fact that many of our indispensable overseas outposts occupy foreign territory, and are available to us only so long as our allies can maintain their independence, we would inevitably be forced back, step by step, to our own shores as one after another of our partners went down under Communist pressures.

3. It would be necessary for us to increase our expenditures for defense by an amount incomparably more than we spent for mutual security in order to make up in some degree for the loss of overseas positions and, as far as possible, replace the support of allied forces with additional forces of our own. In this connection it should be remembered that while we have spent $20 billion over a 7-year period to support those 200 divisions, 2,500 ships, and 32,000 planes, our allies have contributed 6 times as much, $122 billion.

4. The number of American young men drafted into military service would have to be raised by many hundreds of thousands a year to provide for the necessarily tremendous increase in the size of our standing Armed Forces.

5. Even if we did expend billions more on defense, and committed to military service a proportion of our limited manpower unprecedented in peacetime and possibly disastrous to our economy, America might well ultimately find herself a beleaguered island in a sea of Communist tyranny, shorn of friends, cut off from many materials essential to the production of military hardware, and faced with slow but sure extinction.

Far from being a giveaway program, as many sincere people have called it, mutual security is the most productive investment in our own future which we could possibly make. The only giveaway involved would be the result of discontinuing or seriously curtailing these essential programs. If we did that, we would give away many of our friends to aggressive Communist imperialism. We would give away many of our most vital military bases overseas. We would give away our conscience and our ideals. We would, indeed, give away our own security.

It is particularly fitting on Armed Forces Day that we give solemn consideration to the responsibility for the security of the United States which rests upon all segments of the American community. No one can truthfully say, "I have no part to play, no obligation to discharge." The man in uniform is only the military spear point of our defense. If we forget that, we lose all perspective as to what makes America strong and able to resist successfully the manifold Communist threat.

Soviet scientific advances, dramatized by their success in launching earth satellites, have been more effective than millions of words in bringing home to the American people the fact that we cannot afford to take our security, or our world position, for granted. We Americans have had a rude awakening to the fact that our vaunted world leadership in science and technology is being menacingly challenged by the Communist dictatorship. We had fallen for the attractive fallacy that there is some easy way to maintain and enhance our national strength, and preserve our freedom, which does not entail real personal effort and inconvenience on the part of every one of us. We had turned away from the hard disciplines in favor of the softer ways of life because we believed that the triumph of American principles was inevitable. We had come to the conclusion that it was no longer necessary to roll up our sleeves and work and fight to keep America strong. Perhaps we have learned our lesson in time.

There is no easy, pleasant way to protect our freedom, and insure our national survival, in this atomic age of peril. Our security is not to be found in armaments alone, but rather in the willingness of all our people to sacrifice in a common cause, in the toughness of our moral fiber and the steel-hardness of our spirit, in the quality of our self-discipline, in our readiness to shoulder responsibility manfully, and to put our hands to the plow with no thought of turning back.

Federal Government Employee Honored

EXTENSION OF REMARKS

OF

HON. THOMAS J. LANE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 15, 1958

Mr. LANE. Mr. Speaker, Miss L. Frances Ryan, of the Lynn, Mass., district office of the Social Security Administration, received double honors for meritorious service at a recent awards ceremony at the United States Public Health Hospital at Brighton, Mass. Mr. Edmund J. Moore, manager of the Lynn office made the announcement, and the citation presentation was made by Mr. William F. Durgin, assistant manager of the Lynn office.

Mr. Lawrence J. Bresnahan, regional director of the United States Department of Health, Education, and Welfare, presented Miss Ryan with a cash award for superior work performance and also a citation from Victor Christgau, Director

of the Bureau of Old-Age and Survivors Insurance. Miss Ryan was one of four persons in the region, which includes all of New England, to be so honored.

During a 9-month period, ending in March 1957, the Lynn district office, at 7 Spring Street, processed the largest workload in its history. Over 3,200 claims for old-age and survivors insurance were processed. Miss Ryan, while handling more than her share of the workload, assisted in the training of new personnel added to the staff. Production schedules were maintained so that some 3,200 claimants in the district received their checks as fast as they would have under conditions of normal office traffic.

Miss Ryan, a native of Lynn, has held various positions in the Federal Government service since 1936. She has been with the Social Security Administration since 1950.

Small-Business Forum of the American Management Association

EXTENSION OF REMARKS
OF
HON. EDWARD J. THYE
OF MINNESOTA
IN THE SENATE OF THE UNITED STATES
Thursday, May 15, 1958

Mr. THYE. Mr. President, I ask unanimous consent to have printed in the CONGRESSIONAL RECORD an address I delivered on the subject Partners in Business, at the small-business forum of the American Management Association, in New York City, on May 14, 1958.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

PARTNERS IN BUSINESS

(An address by Senator EDWARD J. THYE, Republican, of Minnesota, before the American Management Association Small-Business Forum, New York City, N. Y., May 14, 1958)

Gentlemen, I consider it a real privilege to participate with you in this first small-business forum of the American Management Association. It is most appropriate that the problems of the small-business firm in our economy should receive your careful and extensive study and investigation.

Doing business today is a challenge which demands the best of everything a business has to offer. Doing business today as a small firm is something which demands the utmost in energy, skill and initiative.

MAIN STREET

I have always thought of small, independent business in terms of Main Street—the thousands upon thousands of Main Streets which run through every city, town and village of our country. It is here that we find the majority of the Nation's retail outlets and service establishments. They represent a large portion of our business population which numbers approximately 4,300,000. These outlets serve a nation of 170 million consumers. These business firms along our Main Street constitute the arteries of commerce in the blood stream of our free-enterprise system.

Just a stones' throw away from the Main streets are the warehouses of wholesalers and distributors and the small manufacturing plants of America. Thus we can see that within a radius of a few blocks in any city we find endlessly reproduced the American economy in miniature.

Ours is an economy founded upon the principle that honorable men should be free to compete with one another in the area of commerce and manufacturing. It was founded by men such as yourselves who rejected the principle that Government should write all the rules and regulate men's every action. They likewise rejected the principle of cartel control of all business enterprise. These men believed that a free economy, with healthy competition, would produce the type of ingenuity and accomplishment which would give to our society a standard of living greater than that of any other nation.

Today, private enterprise is spending $5.5 billion for research and development in new products which promise to further improve our standard of living. Translating this fact into a phrase, it means that new frontiers are opening up each day and that there are endless horizons for those who participate in our free enterprise economy. There is no other nation in the world today that enjoys the benefits of such a system.

HUMBLE BEGINNINGS

The present wonders of our economic system had humble beginnings. It all began in small establishments along our Main Streets. As time went on, some of these small business firms grew and today we classify them as large business. Throughout the early stages of our economic development, there was no attempt made to distinguish between large and small business. People spoke in terms of business regardless of size. There was no recognition of any basic conflict of interest among business concerns of different sizes. Essentially big business and small business became partners in the task of supplying the needs of a constantly expanding population. Most reasonable observers accept this time-honored partnership as being the cornerstone of our dynamic growth. The shelves of the smallest merchant on Main Street are stocked with the products manufactured by large corporations. The interdependence of all business is demonstrated by the fact that our laregst mass production industries obtain necessary supplies and services from thousands of small suppliers and subcontractors.

During this period of industrial and commercial expansion, our Government laid down certain ground rules when it became apparent that such action was necessary. The Sherman Antitrust Act, the Clayton Act, and the enforcement of these laws was necessary to preserve the element of free competition in a fast-growing economy.

WORLD WAR II IMPACT

Perhaps the most significant turning point in our economic development was World War II. This all-out war effort called for an unprecedented productive effort; it inspired inventions, new products, and a productive philosophy which was climaxed by the innovation of atomic energy. It was during this period that certain business firms grew to the point where they became known as industrial giants. As an aftermath, people began to think in terms of large business and small business.

During the past 10 years, a premium has been placed on technology and research. Competition has become more keen in all areas of business. At the same time, taxes have steadily increased, costs of doing business have risen sharply, the need for credit has increased, and the American public has developed buying habits and tastes which demand the utmost in supplier resourcesfulness and imagination.

The factors I have just mentioned can be termed business problems to business progress and success. They fall most heavily upon the small business man in our economy who cannot employ the high-priced business technician or scientist or business expert.

OUR DILEMMA

At this point, we can begin to see the dilemma we are faced with. On the one hand we recognize that the strength of our economy, to a large degree, depends upon a healthy small business community. On the other hand, the progress we have made and which we hail as a great accomplishment has created serious problems to the small business firms.

TIME FOR ACTION

The time has come when we must recognize that there is need for constructive action if we are to maintain the highly successful free competitive system which we have come to admire and respect.

This must be accomplished through the utilization of a dedicated partnership. The partnership in such a venture must be the small-business man, the large business firms, and the Government.

SMALL BUSINESS ADMINISTRATION

The Government is already at work assuming its rightful role and responsibility. That is being accomplished on many fronts. You are all acquainted with the activities of the Small Business Administration which was established in 1953. I had the pleasure of authoring the legislation which established this agency. Through March 31 of this year, the SBA had approved 9,542 business loans, totaling $445,992,000 and 7,105 disaster loans in the amount of $73,910,000. The agency has a constructive record of accomplishment in the field of procurement assistance and managerial and technical assistance.

The Small Business Administration has proved itself to be an effective partner within our economy. The time has come when it must be established as a permanent agency. I have introduced a bill which would accomplish this, as have other Members of the Senate and House of Representatives. It is imperative that SBA gain permanent status for three main reasons. First, the agency would be able to attract more competent personnel; second, our banking institutions would be more apt to participate in the SBA loan program; and third, the SBA would be able to work more effectively in the area of procurement assistance.

ACTION TAKEN

The President has established a Cabinet Committee on Small Business to recommend directly to him those measures which would be of constructive help to small business. This action is unprecedented in our history.

The Department of Justice and the Federal Trade Commission are at work every day to give vigorous enforcement of the antitrust laws. This is essential if our system of competitive enterprise is to survive.

Every agency of Government has established a program designed to channel a fair share of Government contracts to small business.

Both the House and the Senate have a Small Business Committee working in the interests of small firms.

The Congress and the executive agencies are working to eliminate government competition with private enterprise.

It is apparent to any objective observer that the Government is attempting to maintain a climate within which small business can grow and expand.

Business and associations such as yours are also already at work in an attempt to solve the problems which confront our small firms today.

THYE PROGRAM

In addition, there are certain specific things which must be done. They must have your support in order to succeed.

PROPOSED LEGISLATION

You are all interested in what proposals are now before the Congress and the Senate which affect the small-business firms of the Nation. It would be impossible for me to enumerate all of the bills now in committee. However, let us examine what proposals we have which deal with the three main problems facing small business today, namely:

1. Availability of credit.
2. Availability of equity capital.
3. Tax reduction.

I am convinced that if we are successful in passing constructive legislation in the above categories that the future for small business will be bright, indeed.

CREDIT

1. Credit: Here I have already outlined the necessity for legislation extending the life of the Small Business Administration. This is a necessity if the full credit needs of small business are to be met. Also pending before Congress is an amendment to the 1953 act, which I have prepared, extending the period of time for loans to 15 years.

EQUITY CAPITAL

2. Equity capital: There is no question about the need for sources of equity capital today. There is some difference of opinion as to what Federal legislation is needed to accomplish this purpose. First, I wish to make clear that some system for providing long-term financing for small firms is urgently needed. I will support any reasonable bill recommended by the proper committees. Only secondarily am I concerned with the form which may be established to do the job.

The bills presently before the Senate Banking and Currency Committee propose different systems. I have introduced a bill which would incorporate the existing structure of the Small Business Administration to administer a long-term equity program. The other bills would establish another independent agency to do this job.

I favor the utilization of the SBA because it has acquired intimate familiarity with the equity capital needs of the small business in the operation of its lending program. In considering loan applications, an examination is made by the trained examiners of sufficiency or insufficiency of equitable capital. A listing is made of those cases where additional equity capital is required. I would also like to call to your attention that the Small Business Administration has been concerning itself within the past few years with ways and means of promoting more equity capital for small business. In conjunction with the Investment Bankers Association of America, it has discussed the problem and the IBA has formed a small business committee. Meetings have been held with the SBA, SEC and members of the private business world, both businessmen and investment bankers. The SBA has backed legislation to loosen the requirements in the Securities Act of 1933 so that it will be possible for small businesses to float securities and comply with registration requirements with less cost.

One of the basic differences between my bill and other proposals lies in the character of aid provided to small business investment associations. In my bill, as well as in the other measures, the Government has power to make loans evidenced by debentures of small business associations. Some bills, however, attempt to facilitate the establishment of small business investment companies in which the Government invests its stock in the companies in the amount not more than $250,000. I submit that the soundest opinion of experts in the field of private investment companies is that if there is lack of sufficient interest in a small business investment association, so that it cannot obtain its basic paid-in capital from private sources, it will, in the end, prove a failure in its administration.

Once a small business investment association has been launched with its paid-in capital acquired from private sources, I contemplate that, on the basis of debentures and that in return for debentures, the SBA shall lend capital funds for lending purposes. I think that this is a sound and fundamental distinction between Government ownership and Government assistance.

There is also a fundamental difference in the provisions for aid to State and local development corporations. The bill I contemplate provides that the SBA will be able to make loans to a State or local development corporation "to existing identifiable small business concerns and for a sound business purpose approved by the Administration." There are various restrictions imposed on such loans. I would like to call to your attention that SBA has been making loans of this character with a limitation which would be removed by this legislation. If you will examine the studies made on the lending features of State and local development corporations (7 State loan corporations now operating, and as many as 2,200 local organizations identified by the Department of Commerce) you will find that most of the activities of these corporations are in the lending field, rather than equity purchases. The Small Business Administration's experience in dealing with and evaluating identifiable concerns should be preserved.

Other proposals would provide that in the case of some State and local development corporations, the Government will make loans to enable them to supply the equity capital for small business concerns and the funds will be given in exchange for obligations of such institutions. Students of local development corporations can advise you that most of them are not set up in such a manner that they would be able to obligate themselves in this manner.

TAX RELIEF

3. Tax Relief: I believe that some tax reduction measures will pass the current session of Congress. There is little argument that tax adjustment is needed. I support the following tax adjustment bill for small business:

(a) An allowance for reinvestment in the form of a tax deduction for a business which increases its investment in inventory or depreciable assets out of income. This allowance would be permitted on a graduated scale which would require the taxpayer to assume full responsibility for a portion of the expansion. The amount of investment permitted as allowance would be as follows:

Fifty percent on first $10,000 eligible investment.

Thirty percent of $10,000 to $20,000 eligible investment.

Twenty percent of $20,000 to $30,000 eligible investment.

The maximum allowance in a year would be $30,000.

This proposal would provide much-needed equity capital for small firms.

(b) A retirement deduction to be allowed for sole owners or proprietors. Each taxpayer would be permitted a deduction for an amount up to 10 percent of his taxable income, or $1,000 whichever is the lesser, if invested in a prescribed manner. This retirement deduction would eliminate present discrimination which exists in the Revenue Code.

(c) Payment of estate taxes over a 10-year period. An extension of payment over 20 years would be made in cases of emergency.

(d) Accelerated depreciation on used equipment and machinery. There would be a limit of $50,000 for each tax year of such purposes.

(e) Permission for small corporations having only one class of stock to be taxed as partnerships.

(f) Easing restriction of unreasonable accumulation of earnings section by raising $60,000 exemption to $100,000.

This is a program which I have been advocating for some time. Some of the provisions have been before the Senate in the form of legislation since early 1957. Such a program would not only give assistance in the near future, but it would also provide for the strengthening and growth of small-business firms.

I am confident that legislation will be enacted in the next 3 months which will alleviate the financial pressures upon small-business firms.

THE NEXT STEP

The next step will be for all of us to preserve a business climate and atmosphere which will stimulate small business growth and expansion. To do this we must:

1. Call for strict enforcement of our antitrust laws as a safeguard to our free economy.
2. The administration's premerger notice legislation must be passed in order to give our Justice Department and Federal Trade Commission the opportunity to examine the impact upon competition of corporate mergers.
3. Businessmen must enter into a period of self-analysis in order to improve their efficiency and capability of competing in today's complex industrial expansion.
4. Business organizations and associations such as yours must provide assistance and guidance to small firms who cannot afford full-time technical advisers. Research and the development of new methods are to be found. Technical fields are the new frontiers of this era. The early history of America was an ever-advancing frontier. Virgin prairies, as well as the timberland, awaited the courageous pioneer to develop it. But following this pioneer, was the equally courageous businessman with the opportunity to establish businesses that did not have the competitive economic system that the smaller businessman is confronted with today.

I am confident that these aims will be accomplished. No one can deny that new frontiers open up every day in the business life of our Nation. These frontiers lead to horizons which are exciting and which will stimulate the inventive genius which has become a hallmark of American progress. In our day, there can be no sympathy with pessimism. There can be no surrender of free enterprise to crippling controls by government.

We must rededicate ourselves to a system of free enterprise which has made our Nation great.

The President's Press Conference on May 14, 1958

EXTENSION OF REMARKS

OF

HON. J. W. FULBRIGHT

OF ARKANSAS

IN THE SENATE OF THE UNITED STATES

Thursday, May 15, 1958

Mr. FULBRIGHT. Mr. President, the transcripts of the press conferences held by the President of the United States are printed in their entirety by very few newspapers throughout the Nation. The CONGRESSIONAL RECORD, on the other hand, is accessible to, and is read by,

hundreds of thousands of our citizens who attempt to keep themselves informed of happenings in our national and international affairs.

Because I think these persons should have ready access to the complete transcripts of the President's news conferences, I ask unanimous consent that the transcript of the press conference of Wednesday, May 14, 1958, as printed in the New York Times of Thursday, May 15, be printed in the RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

[From the New York Times of May 15, 1958]

TRANSCRIPT OF THE PRESIDENT'S NEWS CONFERENCE ON FOREIGN AND DOMESTIC AFFAIRS

President EISENHOWER. Good morning. Please sit down. This morning I have one short announcement. You people know that there are very delicate situations now in Lebanon and Algeria. These situations can well be very grave as they develop. We are watching them closely, and that is all I can say about the matter, because I believe any words now when emotions are so stirred and extremism can be voiced all around the world, that it is best for the moment to say nothing about them. So I will have nothing to say. This is not usual; I assure you. It is not my custom to do this, but that is what I think should be done this morning.

1

MARVIN L. ARROWSMITH, of the Associated Press. Mr. President, how do you assess the current wave of anti-American demonstrations in South America against the Vice President? Do you see any pattern of Communist inspiration, or could it also be a case of genuine resentment against United States policies?

Answer. Well, you have raised a very interesting but a very complex picture. I don't think there is any single cause. There is always—there are economic causes.

For example, in Uruguay, you may know about the difficulties there have been about these packing plants that were originally owned by United States firms and which can no longer make a living, and they—where they want to get rid of them. There is the—in Bolivia, you have always the tin problem.

In Peru, you have the very low prices of, current prices of lead, zinc, copper, and so on.

And in Venezuela, on the economic side, you have had these rumors that the United States was ready to—was trying to impose quotas upon a country, quotas on the oil-producing countries; and, of course, there is no truth to this last one at all.

But there have been economic difficulties, and it's—one reason that we are so certain with these developing countries and with many of them dependent on raw materials for their living, they have got to have trade. They have got to trade with us. They have got to have some aid, and the economic aid programs of this country today, and trade programs, in my opinion, are as vital to our security as any defensive measure we take.

Now, as to whether or not there are Communists in all these, there is a habit, as we know, of the Communists to try to exploit and take leadership in any unrest that is latent or developing, and if they can bring it out in the open as a real riot, why, that seems to be a practice of theirs and there has been sort of a pattern around the world: in Burma, Jakarta, in South America, other places, that looks like there is some kind of concerted idea and plan that is followed.

So, while I think no one would be so bold as to make direct accusation, the fact is that it looks like a lot of case, a case of where there is a lot of smoke; and, therefore, there is probably some fire.

2

RAY L. SCHERER, of National Broadcasting Co. Mr. President, could you discuss the considerations which led to the dispatch of troops to the Caribbean?

Answer. Well, it is the most—it is the simplest precautionary type of measure in the world. You—we had reports yesterday that were serious. We knew nothing of the facts. We could get no reports from the outside, other than telephone calls from the Embassy; and not knowing what was happening, and not knowing whether the Peruvian (Venezuelan) Government might not want some aid from us, we simply put it at places where it would be available, in reasonable amounts, and in bases that were well within the American zone; and that is all there was to it. There was no——

(There was a chorus of "Mr. President.")

Answer. There was no—no—even no offer was made to the Peruvians (Venezuelans). The idea was only in the case they would want to ask it, would we even think of it.

(The President conferred with his press secretary, James C. Hagerty.)

Answer. I kept saying Peruvians; I mean Venezuelans.

3

PETER LISAGOR, of the Chicago Daily News. Mr. President, I would like to ask whether we anticipated these demonstrations would be as violent and furious as they were and whether, in the light of that any thought was ever given to canceling out a part of the Vice President's schedule to prevent them?

Answer. No. These things were discussed, but there was no thought given to canceling Mr. NIXON'S visits to these countries.

In each case he was invited by the government and, as you know, many of these state leaders or Presidents-elect have come to visit this Government.

It is a courtesy to return their call when you can, and, moreover, it was because of his ability to discuss with leaders down there some of the problems that I just referred to, some of your economic problems, and in the hope that we could reach better understanding, that such a trip as that is undertaken.

Now, no one, I think, anticipated the violence of—particularly this last riot, and I think possibly everybody there was a bit caught by surprise.

4

LLOYD M. SCHWARTZ, of Fairchild Publications. Mr. President, some members of the Commerce Department's Business Advisory Council have just recommended that you ask for a moratorium on price and wage increases. I wonder whether this strikes you as a practical approach to the recession problems?

Answer. Well, this asking a moratorium, I think that is merely trying to use persuasive powers to get them to avoid both price and wage increases. Now, some of them, I think, already are scheduled, and I don't know, I would have to take a look at that as a feasible suggestion. I have constantly urged that both business and labor leaders take a very long look at this problem, and to see whether the persistent wage-price spiral is not a thing that we must get away from in the long run or we are going to suffer for it.

5

Mrs. MAY CRAIG, of the Portland (Maine) Press Herald. Mr. President, Governor (Leroy) Collins, of Florida, in a recent article in Look magazine, surveys the segregation system in the South, and what he says he is determined to see in Florida, point 2, is this:

"Segregation of the races in public schools and recreational facilities will continue in any community where its abandonment would cause deep and dangerous hostility."

My question is: Do you intend to follow the Little Rock pattern in other States where there is hostility to it?

Answer. Well, what do you mean by the "Little Rock pattern"?

Question. Sending in the Federal troops.

Answer. For what?

Question. As you said, to obey a court order.

Answer. That is right, to obey a court order; and that is the point. I did not send troops anywhere because of an argument or a statement by a Governor about segregation. There was a court order, and there was not only mob interference with the execution of that order, but there was a statement by the Governor that he would not intervene to see that the court order would be exercised. That is exactly what I did.

Now, I don't know, I am not going to try to predict what the exact circumstances in any other case will be.

But I do say this: I deplore the need or the use of troops anywhere to get American citizens to obey orders of constituted courts; because I want to point this one thing out: There is no person in this room whose basic rights are not involved in any successful defiance to the carrying out of court orders.

For example, let us assume one of you was arrested and you were arrested by a sheriff who didn't—who was—didn't think what you were doing in the particular town was correct, and the town was inflamed against you but the Federal judge says—this being, let's say, taking place on some Federal property, the Federal judge comes in and says he will issue a writ of habeas corpus and you are in jail, unjustly, illegally, unconstitutionally.

But there is now power there, no one—the Governor won't intervene; the marshal of the court is powerless, no one can do anything.

Now, what is a President going to do? Now that is a question you people answer for yourselves. I answered it for myself.

6

CHALMERS M. ROBERTS, of the Washington Post and Times Herald. Mr. President, you said a few moments ago that these anti-American demonstrations or outbursts of one kind or another around the world appeared to look like some kind of a plan or concerted idea by the Communists.

Answer. Well, I said no one thing could be, have—take the full blame for any of these, but I did say that there did look, in this particular case, that there was a pattern.

Question. What I wanted to ask, sir, was do you see this as an effort to provoke these incidents or to exploit incidents arising for other reasons?

Answer. Well, I think that a large part of it would be exploitation. As a matter of fact, I have been through this myself. In 19— in January 1951, the President (Truman) sent me to 12 capitals, I believe it was, in 14 days, 18 days.

It was a very difficult trip, I assure you, in midwinter, and that both in 2, and I think 3, of the big European cities, there was placards from one end to the other that they were going to—there was going to be a demonstration here that would chase the Americans, and particularly the old general back to the United States.

Well, they fizzled out because, fortunately for me, I still have a name over there as being sort of the liberator of the country, so that the Communist papers, which, in possibly 1945 were saying I was a very great fellow, had a hard time now to say I was a villain.

And so—but I do know something of, I experienced some of, these things, and when you are living in a house where the fences

around are all painted "Go Home Ike", and all that, why, you feel it. But I think that they are largely efforts to exploit situations rather than to by, you might say, de novo create them.

Question. Would it violate your initial admonition to us to ask whether in this group of situations that you were talking about you do include the French Algerian and Lebanese situations?

Answer. Well, I would say I really can't talk about them because they are not necessarily the same kind.

7

PAT MUNROE of the Chicago American. Mr. President, several months ago, Senator (EVERETT M.) DIRKSEN, Republican of Illinois, recommended Robert Teakin for the United States court of appeals in Chicago. Teakin is now being investigated by a House subcommittee. I wonder if you intend to nominate him, sir?

Answer. Why, I have never made such a—I never indicated in any way a decision about the possibility of appointing him. There are all sorts of investigations of numbers of people before an important appointment is made, and I haven't in this case anything to say at all.

8

MCLELLAN SMITH, of the York (Pa.) Dispatch. Mr. President, the day before Mr. NIXON arrived in Montevideo, Uruguay, the government seized that private plant down there financed by American capital. They did that at a time when this administration is trying to get private capital to invest more money abroad in foreign countries. Now, my question is this: If we permit this thing to occur, isn't it going to damage this program of sending of private capital abroad? Are we going to make any representations to the Uruguayan Government, or are we just—let them take the plant?

Answer. Well, I am not going to discuss this thing in the great—in the detail that it would require, if you were going into all the differing situations. But you must admit that Uruguay was suddenly facing a very emergency situation, because the American parties wanting to get out of this business, they no longer could make any money, and they were trying to find purchasers; and, therefore, it looked like there was going to be no meatpacking taking place for the Uruguayan population.

And remember this: There is no country in the world that is precluded from seizing property as long as it is ready to give just compensation. In our own country, right here, a State can take—a State, any State, can take private property from you. It does have to give just compensation.

Now, to say we are ignoring the situation is, of course, beside the point. We, of course—we are keeping in close touch with it. But there are, as I say—this isn't a usual thing, and you cannot generalize that this is Uruguayan practice. They have not done this before.

9

GARNETT D. HORNER, of the Washington Star. The Washington Star is urging in a frontpage editorial today, sir, that the people of Washington turn out in force when Mr. NIXON returns tomorrow to show him that there are some people around who like him [Laughter.]

Answer. I am one of them.

Question. I am asked to ask you, sir, if you plan to meet him at the airport and if you think it would be a good idea for all Government workers to be let out [Laughter]. So they can do likewise?

Answer. Well, as a matter of fact, while normally it would—while it would be creating a precedent, because of my admiration for his calmness and fortitude and his courage in very trying circumstances, I would like to make some special gesture.

Now, just exactly what my morning schedule will permit, I am not sure; because I don't know what time he is coming yet, and I certainly won't know until after his evening's program in Venezuela is completed.

But as far as—if it were feasible, if it is feasible and you could take the governmental workers that are on the line of march, and you found out the time or the route of entry in the city, if in a half-hour's time we could give them out 45 minutes or an hour, why I would be all in favor of it, but I haven't yet seen any scheme for doing it. But I would go along with your spirit of your editorial, anyway.

10

JOHN SCALI, of the Associated Press. Mr. President, Vice President NIXON was tentatively planning to visit Europe on a goodwill visit sometime this fall. In view of the demonstrations that he has encountered in Peru and in Venezuela, do you see any need for him to reconsider his trip?

Answer. I wouldn't think so. If I were making it, I wouldn't reconsider; and I don't think he would think of it for a second.

[There was a chorus of "Mr. President."]

Answer. This lady right here. You.

11

MARY PHILAMENE VON HERBERG, of the Pacific Shipper. During the Senate hearing yesterday——

Answer. You will have to speak a little louder.

Question. If I have to tell you my whole name, it is kind of hard. During the Senate hearing yesterday on a bill to construct the superliner passenger vessel for the Pacific, and one for the Atlantic, this bill passed the House by an almost 3 to 1 vote, a controversy arose between the Defense and Commerce Departments. The Defense Department says it desperately needs these ships in operation now, so that in time of an emergency they would be able to carry troops. The Commerce Department says they want the ships for trade, but they are kind of against the financing, the only financing on which the operators say they can buy these ships. Do you have any comment on that?

Answer. Well, they brought the thing to me yesterday, but it has not been—I have not been given an analysis which yet make me—give me yet the right to make a judgment. I will take a look at it.

12

WILLIAM MCGAFFIN, of the Chicago Daily News. Mr. President, Congress will have to take a look at taxes no later than June or otherwise certain taxes will expire. And there is a feeling in doing so Congress may decide to cut the income taxes. If they do, will you go along with them or will you veto the measure?

Answer. Well, again you are asking me to always prophesy, and I really——

Question. The tax cut, Mr. President, is very much in the news.

Answer. Well it may be, but I still don't see any reason to say anything more about the tax, and I have told you people time and again that the Secretary of the Treasury (Robert B. Anderson), the leaders of the Senate and the leaders of the House are watching this every day, when is the time to take it up, and exactly what the measure should be. So, I'm——

Question. Do you agree you will have to——

Answer. What is that?

Question. Do you agree, sir, that a decision will have to be made before the end of June?

Answer. A decision is going to have to be made soon.

13

EDWARD P. MORGAN, of American Broadcasting Co. Two questions relating to civil rights, Mr. President.

Senator JAMES O. EASTLAND, Democrat, of Mississippi, is boasting that he is going to get reelected by blocking your civil-rights program.

Your nomination of Mr. Wilson White as Assistant Attorney General has been bottled up in his Judiciary Committee for months. Do you plan to push for his confirmation?

Item No. 2. Virginia schools, several of them are under Federal court order to desegregate in September. What is the Federal Government doing now, if anything, say, by quiet FBI investigations, informal talks with civil leaders to prevent in advance a recurrence in, say, Arlington, of the Little Rock incident?

Answer. Well, I don't believe that you can start a gestapo around here, Mr. Morgan, and have secret police going down into every place they can to worm out of people what their evil intentions can be.

Now, what I think is this: Everything we say, everything we do must be to support the law of the land, as interpreted by the Supreme Court, whether or not we always individually approve it.

Now, so far as getting Mr. White approved by the Senate, you do what you can. But if a Senate chairman wants to bottle that appointment up for a long time, you have a very difficult situation; and I, for one, have not yet found a really good way to get it out of there.

14

RAYMOND P. BRANDT, of the St. Louis Post-Dispatch. The latest reports show the gross national product still going down. Have you any plans to revive your ideas about public works to increase employment and expenditures?

Answer. Mr. Brandt, I don't believe for 1 second that any—except without—I will put it this way: With minor exceptions that there is any additional public works to be decided upon, brought into the appropriations picture and finally built that will do anything for this present recession.

I don't believe that, I don't believe that anything beyond small things in the agricultural field or upper—upstream things where workmen can go to work very quickly, and acceleration of programs already started, for example, your post office and all that sort of thing. That is the kind of thing that will bring some people to work. But to start new plans, it will be 2 years before they will be actually in construction.

15

JOHN HERLING, of Editors Syndicate. This is on the extension of unemployment insurance. In your message to Congress, you asked us to act promptly, energetically, and broadly, to temper the hardship of workers.

Answer. That is right.

Question. Whose unemployment has been exhausted or prolonged, rather, and, under the current bill having administration support, governors of about 24 States said they can't act without special legislation or even constitutional amendment.

Now, most State legislatures are not in session or have just adjourned. It means a lot of delay. In view of this, will you continue to support the current measure?

Answer. Are you speaking——

Question. If not, sir, do you have alternative measures in mind?

Answer. Are you speaking of the amendment that was accepted in the House that the States themselves would have to show their——

Question. Yes, sir.

Answer (continuing). Readiness?

Question. Yes, sir; so-called Herlong amendment.

Answer. Yes. No, I can't say anything further on the thing at the moment. I better would have to see the bill come out as it was finally written, and then to determine exactly whether the States can do it or can they not. I, personally, think they can.

16

ROD MACLEISH, of Westinghouse Broadcasting Co. Mr. President, sir, we talked a lot this morning about demonstrations and anti-Americanism around the world. Do you think, sir, that there is a failure in articulation on the part of our country to make its intentions and philosophies well known to people, a failure to articulate clearly the things we really believe in, and the policies we hope to enact?

Answer. Well, I tell you, I think that is, that attempt is made, that is sure, and I think that a very great deal of it goes out. But you must simply—here is one thing we must not forget: Among equals, the greatest and the richest and the strongest is bound to create some envy, and when you have any incident, therefore, that incites or brings to the surface this latent dislike or envy, well then, there is trouble.

But, by and large, we have spokesmen all over this country, we have our own press associations that are sending out news all the time. I think that so far as people want the news and the truth and the facts, including the intentions of this country and its—and the underlying basic peacefulness of our people, I think they can get it just as easily as they can get news of their own country.

17

FRANK VAN DER LINDEN, of the Nashville Banner. Sir, do you think that the need of the Marines and the airborne troops in the Venezuelan situation would imply that we should have an increase of strength of the Marine Corps and the airborne or certainly no further cuts in strength?

Answer. I don't say any such thing. We took 2 companies of troops of 2 types to put them at little stations where they could go somewhere. Now, you are going to make out of that a great big program for [laughter] for revising the entire defense establishment, that is a little far-fetched. [Laughter.]

FRANK HOLEMAN, New York Daily News. Mr. President——

18

JOHN M. HIGHTOWER, of the Associated Press. Premier Khrushchev within the last few days has accepted, or so it appears, a proposal of yours to hold some technical talks on test control measures. Do you expect now to go forward with these talks and send him a new letter in a short time?

Answer. I didn't understand the last part.

Question. Do you expect to go forward with these talks, and will you be replying to his letter shortly?

Answer. Well, of course, we will be replying to his letter shortly. Right—at the meantime we are discussing with our allies their ideas on the way this could be done, and we would certainly expect some kind of agreement very soon, and a substantive answer made to Mr. Khrushchev.

19

SARAH MCCLENDON, of the Camden (N. J.) Courier Post. Sir, we hope to build that superliner in Camden and I wanted to ask you another question about it.

Answer. Yes.

Question. I didn't quite understand. I take it you would not insist on private financing of this big vessel or these two vessels?

Answer. I say that the two questions brought up, I haven't heard of this argument until a few days ago, because I didn't know it had arisen, in the way it is—it has—and I will have to decide between the two as far as the administration system, the administration part is concerned.

Now, for my part, let's make no mistake I believe in private financing; but, if we have got to have this, these ships, because of defense purposes, which, and I just have a letter, I think, last evening on a—a very persuasive letter on it—if we have to do that, well, of course, the Government has to pick up some more of the tab.

But, to my mind, it is really—when we go beyond the ratios and the formula set down by the Maritime Act, then we ought to have a very clear, definite need and that is the thing that has to be decided.

20

CARLETON KENT, of the Chicago Sun-Times. Mr. President, has Admiral (Lewis L.) Strauss indicated to you whether he will accept reappointment (as Chairman of the Atomic Energy Commission)?

Answer. I don't know for sure that he will or will not, I don't know yet.

21

Mr. HOLEMAN. Sir, on May 26 the Navy plans to rebury the selected, the unselected, unknown World War II at sea. Do you approve of that, sir, or do you think there are enough unknowns in the ocean already?

Answer. Well, I will tell you, this is a delicate question, and I believe if any great service believes that the deep sentiment of orphans and widows would be, would be benefited by some kind of ceremony that symbolized the sacrifices of our seamen, then I would be in favor of it.

Now, this—of course, we have lots of unknowns. There is no question about it. Maybe the mere ceremony of another kind would do it. But these people have thought and studied and certainly have inquired from those that are the most deeply affected, and I would go along with it for that reason.

22

SPENCER DAVIS, of the Associated Press. Mr. President, you spoke a little while ago, sir, about the trade and aid program being as vital as any defense measures.

Answer. That is right.

Question. Are you satisfied that the programs that you have before Congress are proceeding in a manner which will be compatible with your wishes?

Answer. Well, now, let's make very clear the administration's first duty is to work out a program is any important subject, in these two we are talking about, MSA (mutual security) and world trade, and you have—you do it after long prolonged study with all the departments and many civilians invited to contribute their knowledge and opinions, and finally you put before the Congress a program, you believe in it. It is the program that you think should be done, should be enacted.

But, after all, the legislative process is largely not in the hands of the President, except for the—his recommendations to them, and finally his part in approval or disapproval of the legislation.

Now, I am the last one, therefore, to say that everything I want to is be done by—on a rubberstamp basis, and without the Congress taking the kind of reaction that will show their considered opinion of what they think about the thing.

Now, I will do my very best to persuade them I am right, because I think I am, but that doesn't mean that in any detail I could find it difficult to—some detail of procedure or any other things of that kind, that I couldn't accept it cheerfully.

23

ROBERT ROTH of the Philadelphia Bulletin. Mr. President, are you going to Gettysburg on Tuesday to vote in the primaries, and if so, will you tell us for which Republican candidate for governor [laughter] you will cast your ballot?

Answer. Well, you must have asked the last part of the question for a laugh. [Laughter.] I am going to, if I possibly can make the arrangements. It is not too easy because, among other things, I have got a big engagement in New York Tuseday night, and we have got things around here these days that are on sort of an hour-by-hour basis. But if I possibly can, I will be up in Gettysburg to vote in the primaries.

Mr. ARROWSMITH. Thank you, Mr. President.

Norwegian Independence Day

EXTENSION OF REMARKS
OF
HON. ABRAHAM J. MULTER
OF NEW YORK
IN THE HOUSE OF REPRESENTATIVES

Thursday, May 15, 1958

Mr. MULTER. Mr. Speaker, on May 17 the people of Norway celebrate their 53d anniversary as a fully independent people and as a sovereign nation. The celebration recalls the final dissolution of the union of Norway with Sweden and the establishment of a constitutional monarchy in 1905.

This does not mean that Norway is one of Europe's younger states. On the contrary, she is one of the oldest kingdoms in Western Europe with a political history going back more than a thousand years. The early history of these Scandinavian people was the history of proud seafaring men who roamed the world in search of adventure and conquest. About the 14th century, however, a period of decline set in, brought on by economic difficulties and the ravishes of the Black Death. During a prolonged period of catastrophies Norway became united with Denmark. For more than 400 years, although united with stronger neighbors, Norway preserved her national identity. After the long slumber, Norway awoke during the early 19th century with hopes of national independence. After the Napoleonic Wars, during which the Dano-Norwegian monarch sided with France, Norway became one of the unfortunate spoils to be distributed to the victorious powers. By the Peace of Kiel, Norway was ceded to Sweden. The brave Norwegian people rose in arms and refused to abide by the peace terms. Thereupon, they declared Norway to be a free and independent nation.

The Norwegian and the American people share much in common, but above all they share a love of liberty. A national assembly, meeting on May 17, 1814, gave Norway a democratic constitution, based on John Locke's doctrine of the sovereignty of the people, from which our own Constitution is derived, and on Montesquieu's principle of the division of powers. The people of Norway honor this historic occasion on their Independence Day.

The period of Norway's first independence was short lived. The political fortunes of Norway did not then favor independence. The balance of power in Scandinavia and in Europe made it im-

possible for Norway to retain full independence. She was finally forced to accept a union with Sweden, on the principle of complete equality and with the retention of her newly acquired democratic constitution. This constitution, in subsequent years, became the symbol for the Norwegian people in their struggle against the authority of the Swedish Crown. Norway remained in union with Sweden for over a century, but, finally in 1905, the Norwegian Parliament declared that the Swedish King had ceased to function as the King of Norway. The union with Sweden was thereby dissolved without bloodshed.

On this occasion it gives me a deep feeling of honor to praise and to pay my respects to the people of Norway and the people of Norwegian descent in this country. The American people happily join with the Norwegian people in celebration of Norwegian Independence Day.

The Alaska Statehood Bill Needs a Conservation Amendment

EXTENSION OF REMARKS

OF

HON. THOMAS M. PELLY

OF WASHINGTON

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 15, 1958

Mr. PELLY. Mr. Speaker, the majority leader announced earlier today that the Alaska statehood bill is scheduled for consideration next Wednesday.

Recently I sent all Members of the House a mimeographed copy of testimony I had hoped to present to the Rules Committee on H. R. 7999. Since it is doubtful if such an opportunity to testify will develop, I include that statement hereinafter in case the copy sent direct went astray or escaped notice:

TESTIMONY OF HON. THOMAS M. PELLY, OF WASHINGTON, PREPARED FOR PRESENTATION TO THE HOUSE RULES COMMITTEE ON H. R. 7999, STATEHOOD FOR ALASKA

Mr. Chairman, thank you for the opportunity of appearing in connection with H. R. 7999, a bill to grant statehood to Alaska.

In principle, I support statehood, and I feel a personal moral obligation as a Republican to support my party's platform. But passage of this bill without amendment to safeguard the broad public interest by providing for sound management and administration of fish and wildlife resources should not be undertaken. So, to make my position here clear, let me say I urge an open rule, and I hope when I have pointed up the lack of protection in this bill that in any debate on the rule when it is taken up on the floor that members of this committee will emphasize the need for an amendment. My purpose in appearing here is to gain support for a conservation amendment which I intend to offer.

I might say, Mr. Chairman, that I come before you with encouragement of several national conservation organizations who feel that the House Committee on Interior and Insular Affairs in reporting out H. R. 7999 ignored the testimony of C. R. Gutermuth, vice president of the Wildlife Management Institute, as it appears in the printed hearings (pp. 375, 418, 476) and, therefore, this measure contains no safeguards for the future welfare of the Territory's fish and wildlife resources. Indeed, in addition to the Wildlife Institute, whose president is Ira N. Gabrielson, the American Nature Association, the Izaak Walton League of America, the National Parks Association, the National Wildlife Federation, Nature Conservancy and the Wilderness Society have just issued a joint letter to all Members of Congress saying that adoption of the statehood bill, without a clarifying amendment, would jeopardize those invaluable resources upon which a major part of the Territory's economy is based. So today, Mr. Chairman, I appear in the interest and with the blessing of organizations whose memberships exceed 3 millions of American citizens who reside in all of the 48 States and also, may I add, many of whom reside in Alaska.

The basic resources of Alaska are timber, minerals, and fish.

As to timber, with the major forests remaining under the permanent management of the Federal Forest Service on a sustained yield basis, I see no danger on account of statehood of discrimination or lack of control against special interests.

As to mines and minerals, with the new State of Alaska allowed a choice of lands, article VIII, section 3, of the proposed Constitution, provides for common use of natural resources. In my own State of Washington, the State was given a choice of lands in 1889 and I don't believe it has finished selecting all the sections it is entitled to yet. In filing on the public lands for oil leases in the Anchorage district, there has been favoritism under Federal management and, I believe, there may have been fraud. Insiders have had access to information in the land office, and frankly I think I was responsible for the transfer of the manager of the Anchorage land office because of information furnished by me to the Secretary of the Interior. My constituents' applications were held back and one group was favored as against another.

However, I am not qualified to suggest any provision to H. R. 7999 to allow all citizens equal participation on a fair basis. That is a matter for the proper officials of the new State to administer. Of course, I recognize the fact that these situations are possible under either Federal or State management where you do have incompetent or dishonest officials.

And now coming to the item of Alaska's fishery resources and when we consider turning over the management to the Alaska Fish and Game Commission, as presently constituted, it is a "stacked deck," and there should be no transfer until the way is open for an honest deal.

This resource is absolutely vital to Alaska's economy—it is her major industry, the wholesale value of its annual production averages about $80 million a year, and employs seasonally about 25,000 persons.

The conservation witnesses testified at the hearings and have since strongly reiterated that the stage already is set in Alaska for the commercial fish interests to take over the administration of the valuable fishery resources if this legislation is passed.

It is true the proposed Constitution calls for common use of natural resources and section 15 of article VIII reads: "No exclusive right or special privilege of fishery shall be created or authorized in the natural waters of the State."

However, under a law passed last year by the Territorial Legislature commercial interests are assured of complete domination over the Territory's fish and wildlife resources on the advent of statehood.

Let me say that it is in the public interest to insure that neither nonresident nor resident commercial groups, both of which have been in contention over a long period, should gain the power of administration of the Alaska fishery. Special interest control has been sought by legislation both in Congress and in the Territorial Legislature over many years. Such attempts failed and thousands of nonresident fishermen—many hundreds of whom, by the way, live in my District—have not been excluded from equal participation in that public resource; but I see now what conservation groups have pointed up—statehood would offer a new beachhead of attack. As is evident, the purpose of all that discriminatory legislation could be accomplished by the device of regulation once the management of Alaska fisheries is turned over to its Fish and Game Commission as that Commission is now constituted.

As to this commission, let me simply read from the hearings (p. 419). This is from the testimony of C. R. Gutermuth of the Wildlife Management Institute:

"Senate bill 30, which is now a law, does exactly what I predicted last year. The conservationists had hoped that Governor Hendrickson would veto that bill, which will place the administration of much of the Territory's natural resources in the hands of the users when Alaska becomes a State.

"Senate bill 30 calls for a 7-member Alaska Fish and Game Commission. Three of the commission members will be commercial fishermen, one a fish processor, one a trapper, and one each representing sport fishing and hunting. The commercial fishermen and fish processor representatives now serving on the Alaska Fisheries Board will be blanketed into office on the new commission for fixed terms of years. Some of them will be 'taken care of' in grand style; one term runs to 1964. Furthermore, by requiring appointments to the commission by districts, occupations, and interests, it means not only turning the administration over to the users, but bars all other citizens from serving on the commission.

"Mr. Chairman, the provisions in that new law will serve only one purpose—they will freeze the present commercial fishermen in office for several years, and assure the carryover of current administrative policies and philosophies. Yes; to overcome any possibility, however remote, that any less commercially dedicated commissioners might get in office. Commercial fisheries is the industry of Alaska, and this law certainly sets the stage for looking after everything but the public's interest."

As to how the commercial fishing interests of Alaska feel about conservation, let me quote from the statement of Jim Downey, secretary-treasurer of the Bering Sea Fishermen's Union, and agent of Resident Cannery Workers' Union, No. 46, AFL. This appears on page 22 of the 1955 hearings on Senate Resolution 13 of the Senate Interstate and Foreign Commerce Committee, 84th Congress. This witness said:

"For conservation purposes, it is our firm belief that fishing should be limited to residents of Alaska."

And speaking of conservation, our colleague, the Delegate from Alaska [Mr. BARTLETT], stated at that same hearing:

"I should say that in a general way we feel that the industry itself has exerted an undue control in the matter of regulations which govern and guide the industry; and that the best policies of conservation for maintenance of the fish run have not always been followed."

That quote is from page 4 of those same Senate hearings, and certainly Mr. BARTLETT ought to know. In fact, apparently the commercial fishing interests of Alaska have pressured him in this very way against conservation because I noted in the testimony of the witness from the Bristol Bay Resident Cannery Workers evidence of this.

"In 1953," the statement reads, "we successfully fought a closure order for the Nushagak fishery." He went on to point out that when five cannery superintendents were in Washington in support of the closure

order, with the help of Delegate BARTLETT, a compromise 2-day-a-week commercial operation was permitted.

You can imagine that there are pressures on our Federal Division of Fish and Wildlife, but with commercial fish interests in control of Alaska's Fish and Game Commission the regulations will hardly be objective or in the interest of conservation. The national conservation organizations are not opposing statehood as such, and their opposition to the pending statehood legislation could be removed entirely if the Commission setup were changed. Conservation groups believe that the responsibility for managing Alaskan fish and wildlife resources should not be relinquished by the Federal Government until the new State legislature makes provision to protect the broad national interest. And I strongly support their position because, at the same time, an impartial setup in the management of our Alaska fishery would give some hope of protection against forces which would limit fishing to residents of Alaska by manipulation of regulators.

In this connection, I support an amendment to the pending bill to stipulate that the fish and wildlife resources be turned over to the new State as soon as the Secretary of the Interior can certify to the Congress that the Alaska State Legislature has made adequate provision for the proper administration, management, and conservation of those fish and wildlife resources. And by proper I mean that no special interest, either from outside or inside Alaska, would control.

As to the financial ability of the new State, I simply point up that the 1958 Federal budget asked for $876,955 for management and enforcement, $524,170 for vessels, and $165,425 for aircraft. The division of resource management presently operates seven patrol vessels and nine aircraft. That is a total budget of $1,594,000.

I would trust that the committee reporting this bill is satisfied that the new State could finance this extensive operation. Of course, 70 percent of the net proceeds of the annual sale of fur sealskins will accrue to Alaska, but under the new treaty, I understand, Canada's share goes up and, of course, the price of furs is down. Roughly, I figure Alaska would get about three quarters of a million dollars, so Alaska taxpayers would be required to pay an additional tax of about $750,000 a year to carry on in the way the Federal Government has administered the fishery in the past. This will be a burden and I wonder if Alaska's share in the annual fur sealskin sale should not be increased. Here, I might point out the testimony of the conservation director, Charles H. Callison, of the National Wildlife Federation, in a statement appearing in the hearings on H. R. 7999 on page 484 in which he referred to a resolution adopted by the federation at its annual convention in 1957 which "stressed the need for more adequate funds for fish and wildlife management in Alaska." This is the position of State wildlife federations and sportsmen's leagues and includes the Alaska Sportsmen's Council. So, as I say, it is going to be a heavy burden on Alaska taxpayers to maintain proper management and administration at the previous level to say nothing of increasing the amount.

Incidentally, this organization, the National Wildlife Federation, opposed the Alaska law, Senate bill 30, which established the special interest control. And since the law passed, its repeal or revision has been urged. That is what is needed—then let us consider transfer of the Fish and Wildlife Service to the State.

Finally, Mr. Chairman, the conservation organizations whose names I gave earlier have asked me to support the amendment to which I referred earlier and which I propose to introduce if and when the Alaska statehood bill is brought up. The statehood bill should never pass without this safeguard amendment.

In conclusion, I quote from a letter dated April 25, 1958, which is self-explanatory.

"There obviously is some objection to that portion of the proposed amendment suggested by certain conservationists which would require Congress to approve the certification of the Secretary of the Interior. That objection could be overcome by the following, which would satisfy the many people who are insisting upon a protective amendment:

" '*Provided*, That the administration and management of the fish and wildlife resources of Alaska shall be retained by the Federal Government under existing laws until the first day of the first calendar year following the expiration of 90 legislative days after the Secretary of the Interior certifies to the Congress that the Alaska State Legislature has made adequate provision for the administration, management, and conservation of said resources in the broad national interest.'

"Congressman PELLY, the millions of conservationists in Alaska and in all of the State are indebted to you for working so tirelessly to protect the life-sustaining resources and basic economy of Alaska and the Nation. They must rely upon you and the other conservation-minded Members of Congress to see that proper safeguards are included in any statehood legislation."

With this, I conclude my testimony and thank the committee again for the opportunity to appear here today.

Heikkila Case in Perspective

EXTENSION OF REMARKS

OF

HON. PATRICK J. HILLINGS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, May 15, 1958

Mr. HILLINGS. Mr. Speaker, much has been said and much has been written about the sudden deportation of William Heikkila of San Francisco to his native Finland for being a part of the Communist conspiracy in the United States.

I believe it is time that this case is brought into proper perspective, remembering that Heikkila has never proved his right to citizenship in his 52 years in the United States.

Perhaps the best way to bring this case into the sharp focus of our times when Communists are undermining the historic relationship between our country and Latin America by threatening the lives of Vice President and Mrs. Richard Nixon on their good-will tour is to cite at this point editorials from three newspapers.

On Thursday, April 24, 1958, the San Francisco Examiner said, in part, editorially:

The Immigration Service asked the United States attorney's office whether a legal restraint was pending, was told there was none, then carried out its swift deportation—10 years, 3 months, and 18 days after it had started deportation proceedings. * * * We repeat that the Service erred grossly in the manner of handling the Heikkila case. Had it, within hours of Heikkila's deportation, supplied the public with the full facts reviewed above and with legal basis for acting the storm never would have blown up.

From my own inquiry as a member of the House Judiciary Subcommittee on Immigration, I wholeheartedly agree with the Examiner's viewpoint.

Then on Saturday, April 26, 1958, the People's World, the Communist newspaper published in San Francisco, clamored editorially for:

A no-holds-barred Congressional investigation of the Immigration Service.

Immediate dismissal of Bruce Barber, San Francisco immigration director, and all others directly responsible for the Heikkila outrage.

Repeal or revision of the Walter-McCarran Act—

Which was termed in the editorial "infamous."

You will note that not once did the Communist People's World in its high state of indignation call for a Congressional investigation of its fellow traveler, William Heikkila.

Then on May 7, 1958, the Oakland Tribune had this to say, in part, editorially:

The debate about the manner in which Heikkila was picked up, placed aboard a Government plane, held overnight in Canada, then put aboard a plane for Finland no doubt will continue. * * * The findings by Representative HILLINGS will not still the loud voices of those who have design to aid special purposes rather than those interested chiefly in democratic processes and fair treatment * * * the full story of the Heikkila case has not yet been told. * * * When it is, the probability exists that justification other than that voiced by Representative HILLINGS for the Immigration Service also will be revealed.

Like many Americans I was concerned by the allegation that Heikkila had been arrested by Immigration officers and hustled out of the country in the dead of night without being given the opportunity to contact his wife or attorney.

Upon inquiry I am convinced that Heikkila had every opportunity to place a call to his wife or his attorney but, instead, he chose to tell a coworker at his place of employment who happened to be passing by at the time of his arrest by Immigration officers to call his wife to tell her that he had been taken into custody by these officers as a result of a deportation order that had been outstanding for almost 11 years.

I emphasize that after almost 11 years of litigation over this deportation order, Heikkila was aware of his rights at the time he was apprehended by Immigration officers. If he had wanted to call his wife or his attorney he would have been allowed to do so.

As the result of inquiry requested by my distinguished chairman of the House Judiciary Subcommittee on Immigration, the Honorable FRANCIS WALTER, of Pennsylvania, I am convinced that the Immigration Service moved on absolutely legal grounds and was guilty only of faulty public relations.

I am so reporting to Mr. WALTER in a personal summary of my findings recently in San Francisco.

I talked to Bruce Barber, the director who was maligned by the Communist People's World, and I found him to be of the highest type of public servant, a man who is dedicated not only to his important job but to his country. There is no more loyal and patriotic American than Bruce Barber.

There is no doubt in my mind that the Communists seized upon the initial public shock of Heikkila's swift deportation to make a "cause celebre" of this case to suit their own selfish, vicious purpose.

It was not pointed out during the public outcry attendant to the Heikkila deportation that as late as December 1956, he took refuge behind the fifth amendment in refusing to answer a House Un-American Activities Subcommittee sitting at San Francisco on the question of whether he was or is a member of the Communist Party.

Yet, Heikkila has been quoted by newsmen as saying that he left the party in 1939 since his return from Finland.

During the course of the subcommittee's questioning of Heikkila, he resorted to the 1st or 5th amendments or both 20 times on questions relating to his connection with the Communist Party and as to whether he had applied for naturalization and as to whether he has ever left the United States since he came to Minnesota with his parents from Finland at the age of 2½ months.

This is a matter of public record.

The full story of the strange case of William Heikkila has not been told.

I predict that evidence will be turned up within a matter of weeks, possibly days, that will give an entirely new light to the William Heikkila case and fully justify his immediate deportation as a threat to the security of our country.

I further am convinced that this new development which is expected to break momentarily will shock and astound even those innocents who have been bewitched by the case and now are defending this poor, defenseless alien.

Atomic Energy Commission's Physical Research Program

EXTENSION OF REMARKS
OF
HON. MELVIN PRICE
OF ILLINOIS
IN THE HOUSE OF REPRESENTATIVES
Thursday, May 15, 1958

Mr. PRICE. Mr. Speaker, under leave to extend my remarks in the RECORD, I include herewith a press release which I issued on May 13, 1958, expressing concern over the inadequacy of funds being made available for the Atomic Energy Commission's physical research program in the budget for fiscal year 1959.

In recent hearings of the Subcommittee on Research and Development of the Joint Committee on Atomic Energy, it was developed that there is a requirement of 50-percent increase in support of basic research for the Atomic Energy Commission's program if this program is not to deteriorate to a point of disastrous proportions in relation to our competition in basic research with the Soviet Union.

Supporting the views of the top scientists within our program who testified before our subcommittee, I include also with my remarks a letter from Dr. Warren C. Johnson, dean of the division of physical science, University of Chicago, and chairman of the general advisory committee to the Atomic Energy Commission.

The address and letter follow:

Representative MELVIN PRICE, Democrat, of Illinois, chairman of the Research and Development Subcommittee of the Joint Committee on Atomic Energy, today labeled the 1959 authorization request for the AEC physical research program as "shockingly low" and a "wanton neglect" of this country's needs in the field of basic research. Funds requested in the budget proposal were limited to two projects of $500,000 each and represented improvements of existing research facilities. No new construction funds were requested to cover requirements in the three major physical research areas, i. e., nuclear physics, chemistry, and metallurgy.

"This is a sorry commentary," he said, "on the negative approach of the executive branch toward the Nation's scientific needs and provides shocking proof of the short-sighted attitude which exists in the AEC Controller's office and the Budget Bureau. This is not true economy," he declared, "it is the costly road to decay and defeat."

"It is high time," he went on, "that the administration stop paying lip service to the importance of basic research and back its words with adequate financial support of our research effort. Without such support we cannot hope to meet the Soviet challenge nor can we long remain a first-class scientific nation."

In referring to recent public hearings which his subcommittee held on the AEC physical research program, Representative PRICE observed that the great majority of witnesses, comprised of top scientists from our laboratories throughout the country, had emphasized the need for an increase of at least 50 percent in the overall level of support of the program.

"This view is confirmed," he said, "by many eminent scientists whom I have met in the field and by the distinguished members of the General Advisory Committee upon whom the Atomic Energy Commission relies heavily for guidance."

"It is interesting to note," he added, "that the chairman of the General Advisory Committee wrote Admiral Strauss in February of this year stating that the present level of support of the physical research program is 'greatly inadequate' and recommending that the level of funding of the program over the next 4 years be progressively increased by amounts ranging from 50 percent to 150 percent of present levels.

"It is abundantly clear," he added, "that prompt action must be taken to increase the level of support of the AEC physical research program if we are to avoid disastrous consequences in the future. The success of our entire scientific effort in the years to come rests squarely on the fundamental knowledge which is developed today in our research facilities. It is vital that we give this work wholehearted support. If the executive branch is unable or unwilling to provide the necessary leadership, the Congress must."

THE UNIVERSITY OF CHICAGO,
Chicago, Ill., May 1, 1958.

The Honorable MELVIN PRICE,
Chairman, Subcommittee on Research and Development, Joint Committee on Atomic Energy, United States Capitol Building, Washington, D. C.

DEAR MR. PRICE: Due to the fact that I was detained in Chicago on account of illness during the hearings on the physical research program of the Atomic Energy Commission, scheduled for February 14, 1958, at the request of your committee I am enclosing a copy of the letter dealing with this subject and addressed to Mr. Lewis L. Strauss, Chairman, United States Atomic Energy Commission, dated February 20, 1958:

My statement is as follows:

"During the past few months I have given considerable thought to the problem of financial support for the activities of the Division of Research of the Atomic Energy Commission. It is becoming more and more evident that the present level of support, namely, about $71.5 million for fiscal 1958 and fiscal 1959, is greatly inadequate. Furthermore, unless considerably more support is forthcoming within the next 2 or 3 years, we shall find ourselves in a difficult position.

"For the support of this conclusion, I would like to present a few facts pertaining to some of the programs under the sponsorship of the Division of Research. At the present time about $16 million is devoted annually to the support of high energy physics. Nevertheless, these funds do not enable the cosmotron at the Brookhaven National Laboratory and the bevatron at the University of California Radiation Laboratory to operate on a full schedule. In addition, these laboratories have been in a position to accept only about 40 percent of the requests that come to them for the use of the accelerators for worthwhile experiments, and many other physicists and teams in universities throughout the country do not even apply for machine time, since it is apparent that none is available. Four new high energy accelerators are now under construction and will go into operation during the period 1960–1962. These are the 25–30 Bev AGS machine at Brookhaven, the 12.5 Bev accelerator at the Argonne National Laboratory, the 3 Bev synchrotron at Princeton and the Harvard–MIT 6 Bev electron synchrotron at Cambridge. It has been carefully estimated that when these machines go into operation, about $50 million will be the annual operating and experimental expense to maintain them on a full time basis. We are certain that when this time arrives there will be even more demand for the use of the machines than available machine time will permit.

"The estimate made here is based on present-day dollars; any inflationary trend will increase the operating costs. It should also be pointed out that other high energy machines, such a cyclotrons, linear accelerators, etc., that are included in this program are not being used to capacity. If one considers it important to use our manpower as efficiently and effectively as possible, then there is the need to maintain all of our experimental devices in the field of high energy physics at full capacity. In other words, it appears to me that our manpower resources should take precedence in our effort to maintain leadership in the field of high energy physics. This statement applies equally to all other fields in the atomic-energy program.

"Another field that deserves increased attention is what one might call in general terms 'the science of materials.' Included in this expression are such areas as chemistry, metallurgy, solid-state physics, high-temperature thermodynamics, ceramics, the behavior of materials in a radiation field, etc.

Our efforts in the fundamental sciences pertaining to these areas have been greatly inadequate. In fact, the difficulties we have experienced in the development of different types of reactors, not only for power but for military propulsion purposes, as well, have been due in a large measure to lack of fundamental knowledge in these fields. Due to the unrealistic time schedule, we have spent relatively large sums of money for pieces of hardware without knowing what components would be contained within them. By lengthening the time schedules for completion of some of our reactors for both military and nonmilitary purposes, it will be possible to devote more attention to the fundamental problems inherent in the behavior and use of materials than we have in the past. In fact, these fundamental problems must be solved before we are able to complete the programs. It is therefore recommended that considerable additional funds be devoted by the Division of Research to this area for the support of fundamental research in the laboratories of the Commission, the universities, and institutes throughout the country.

"A number of other activities sponsored by the Division of Research need additional support. However, in my opinion, the two general areas previously mentioned demand the greatest attention. What I would like to emphasize is that our greatest asset is well trained scientific and engineering personnel and that we should give them full support in order to enable them to carry out their work to the capacity of their talents. I would estimate that the annual operating budget of the Division of Research at the present time should be at least $100 million to accomplish these objectives and that within the next 4 years this annual budget should rise to $150 million or $175 million to make the fullest use of our manpower and facilities commensurate with the needs and objectives of the Atomic Energy Commission's program."

Very truly yours,

WARREN C. JOHNSON,
Dean, Division of the Physical Sciences.

CAMG Operations in Atomic Age Warfare

EXTENSION OF REMARKS
OF

HON. EDWARD MARTIN

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

Thursday, May 15, 1958

Mr. MARTIN of Pennsylvania. Mr. President, our distinguished colleague from South Carolina [Mr. THURMOND] has written a very fine article which was published in the Military Review of January 1958 on the the subject CAMG Operations in Atomic Age Warfare.

Since General THURMOND is a high-ranking officer in the Reserve and has made a very exhaustive study of this important subject, I ask unanimous consent that the article be printed in the CONGRESSIONAL RECORD, and I sincerely trust that all my colleagues will read and study it.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

CAMG OPERATIONS IN ATOMIC AGE WARFARE

(By Hon. STROM THURMOND, of South Carolina)

From the time the infantry first penetrates enemy-held territory, whether through an overseas, overland, or airborne movement, the commander is an occupier under the terms of international law.

Decisions must be made immediately by the commander regarding the people, government, and economy, not only to comply with the obligations imposed by international law and agreements, and to implement United States policy objectives for the area, but also to exploit for his direct benefit the potential of available resources in supporting and facilitating his combat operations.

To achieve combat success, he must destroy the enemy—and this includes the combat elements, the resources mobilized in their support, and the political agency which directs the effort against him.

Destruction is essential to winning a war. However, reason dictates that force must be applied with discrimination. Destruction must be measured and limited to actual requirements existing at the time. Hence the force applied need not necessarily be massive, neither need the destruction be total.

The application of even such controlled force as is required to win a war has a tremendous effect upon the civil population. The reaction of the affected civil population, in turn, can have a tremendous effect upon the commander's ability to continue the application of the required force.

Consequently, the commander's decisions are influenced not only by his own and the enemy's relative combat power, but also by the civil characteristics of the area of combat operations. In his estimates of the situation he carefully weighs civil affairs and military government (CAMG) factors along with those dealing with personnel, intelligence, operations, and logistics.

CAMG planning must be constant, continuous, and in full coordination with all other planning in order that CAMG operations may best contribute to the overall mission of the commander. The objective of CAMG planning is to insure support of tactical and logistical operations, as well as to resolve the civilian problems which handicap or interfere with tactical and logistical operations.

Equally valid for atomic-age warfare is Clausewitz' summation of the overall objectives of warfare. These objectives are threefold: (1) To conquer and destroy the armed power of the enemy, (2) to take possession of his material and other sources of strength, and (3) to gain public support. These objectives are inherent in the mission of the Army, which is "to defeat the enemy forces in land combat and gain control of the land and its people."

However, as the scope of warfare enlarges with the appearance of atomic weapons of increased destructiveness, so the scope of the commander's CAMG responsibilities to the population becomes correspondingly intensified. Modern military operations, even if carried out with measured discrimination, will create civilian problems of unparalleled magnitude.

ATOMIC-AGE CAMG PROBLEMS

It would be well to examine some of these problems, essentially civilian in nature, which will confront a commander in the conduct of his military operations on the atomic battlefield.

Civilians, in larger numbers perhaps than ever encountered before, will suffer the effects of war in personal loss, injury, deprivation, and lack of the barest essentials of life. In addition, they will lack the guidance, assistance, or control normally provided at the local levels of government.

Continuing damage will contribute to mass hysteria and tend to convert the previously normal populace into an uncontrolled horde. The populace of an area devastated by atomic weapons will seek to flee further injury with their possessions still intact, and they will obtain, by any means possible, that which is necessary to remain alive.

From the commander's point of view, what will be the effect of the problems posed by these civilians on his combat operations? The answer is apparent.

They will clutter the roads and interfere with or prevent the essential movement of troops and supplies. Often they are injected directly into the combat operation either deliberately by the enemy or by their attempts to evade being engulfed by the enemy and to escape from enemy-held territory.

These civilians will require amazing tonnages of military supplies merely to be kept alive, and can compel a diversion of combat troops to protect lines of communication and supply installations from their pilferage tendencies in order to survive. They can require a similar diversion of troops to neutralize guerrilla action, fomented by undetected enemy agents among them.

They can do all these things and more.

They can almost stop a military operation, unless proper action is taken to anticipate and plan in advance, as a part of the military action, the CAMG measures that will effectively counteract these otherwise probable conditions.

CAMG MEASURES

The commander's CAMG operations are not limited to civil control and relief measures. His courses of action are extremely varied in scope and in possibilities, as the following paragraphs serve to illustrate.

In coordination with counterintelligence agencies, civilians are screened to insure the detection of enemy agents and the prevention of sabotage and rear area disorders. Significantly, the extensive CAMG organization, functioning constantly at the grassroots level in enemy territory, constitutes an effective source of political and military intelligence, including technical intelligence which is important to the combat effort.

Local civil defense and damage control activities, including personnel and equipment, are coordinated with those of the United States forces. Steps are taken to enforce directives regarding such matters as blackout, curfew, and civilian circulation, and to maintain a condition of public order and safety among the civilians.

Information mediums are exploited to inform the civil populace of the purposes and aims of the United States effort, and to improve the relations between our forces and the people of the country with which we are at war.

Resources of the country are mobilized in support of military requirements, as well as to meet minimum essential civilian needs and thereby avoid a drain upon United States resources.

HUMAN NATURE UNCHANGED

The civilian problems of the future combat commander will confirm the fact that "Although weapons change, human nature remains the same."

It is evident that modern nuclear weapons and highly technical military forces will require mobilization of the full industrial and resource potential of a nation involved in war. It is evident, also, that the threat alone of the use of atomic devices affects nations as well as international balances. Consequently, under such conditions it is even more evident that the combat commander must conduct his operations with full recognition of the effect upon the population involved and their political, economic, and governmental structures, if ultimate victory is, in fact, to be achieved.

Throughout history, successful military commanders—such as Julius Caesar and Alexander of Macedonia—always have recognized the problem of controlling the popu-

lace, and took measures appropriate to the state of weapons development of their time to handle the civilian problem. On the other hand, outstanding examples of less sagacious military leaders are Napoleon I and Hitler in their Russian campaigns.

A forecast of atomic warfare reveals that the combat commander's mission will contain new elements derived from the vast numbers of human beings affected by the extent and the intensity of his operations when nuclear weapons are used.

Meeting such conditions demands the development and use of the most efficient CAMG organization which can be devised and in which is inherent two characteristics in atomic warfare organization. These characteristics are:

1. Balance and flexibility which recognizes the importance of the Army gaining postwar objectives and places greater reliance on air transportability.

2. Continuing need for conventional forces and means while recognizing the necessity to be prepared to cope with aggression of varying forms.

In addition to the foregoing characteristics implicit in atomic warfare organization there are three concepts which will apply on the atomic battlefield of the field army. These concepts contribute to achieving maximum combat effectiveness and have a direct relation to CAMG operations.

FIRST CONCEPT

In the atomic age the battlefield will be of much greater depth and width than ever before.

Because of this consideration a greater land mass and larger population concentration will come under the sphere of influence of the combat commander. As a consequence, social, economic, and political problems of a greater scope will be his concern. To avert using combat-trained troops, the commander will have an increasing need for personnel skilled in CAMG combat-support operations.

However, manpower available for control of these lands and the populations therein will be limited. This highlights the necessity to increase our combat effectiveness through developing CAMG technological proficiency to the maximum.

With respect to the development of new CAMG techniques, the task ahead in the systematic development of the "CAMG science" is a challenge which can and will be met. The availability to our combat commanders of qualified CAMG personnel will serve to minimize the many problems inherent in this field.

SECOND CONCEPT

Under atomic conditions basic combat units are small integrated battle groups of all arms, which are semi-independent, self-contained, and capable of operating over extended distances on a fluid battleground for prolonged periods with minimum control and support by higher headquarters. Extreme mobility inherent in such battle groups gives them the added capability to concentrate rapidly, attack hard, and disperse quickly.

Such tactics will call for a greater measure of self-dependence on the part of our commanders, their staffs, and their men than has been required heretofore. The demands on leadership due to dispersal and the employment of complex weapons systems will require full utilization of the capabilities of the CAMG organization to assist in the accomplishment of the mission.

Such utilization will require the use of G–5 staff sections; effective deployment of CAMG units; the thorough education of officers and men in the role and capabilities of the CAMG organization; and making provision for carrying out CAMG functions in those lower echelons which are not authorized CAMG staff sections.

In this respect it is significant to note that current CAMG doctrine is adaptable to the requirements of the atomic battlefield. It is not old; it has emerged since World War II and is derived from the lessons of history. Four basic characteristics of this CAMG doctrine are:

1. CAMG units are the flexible cellular type capable of being tailored with CAMG functional specialists and CAMG officers necessary to meet the requirements of the area in which deployed.

2. CAMG units, specially trained for both overland and airborne field operations under combat conditions, are assigned or attached to armies, corps, and divisions to give CAMG support to the command.

3. In a mobile or unsettled situation, decentralization of command authority ("operational chain of command") over all CAMG units, supplementary to those providing direct support of combat, assures that the demands of dispersal can be met.

4. Aid to battle groups operating over extended areas for prolonged periods is the primary function of CAMG operations to insure maximum utilization of the resources of the area for the support of the combat forces.

THIRD CONCEPT

Staggered tactical formations of the atomic battlefield, dispersed in great depth, place heavy emphasis on reconnaissance and surveillance to cover unoccupied void areas, as well as increase the need for accurate and timely intelligence in order to reduce to a minimum all uncertainty regarding enemy actions in the unoccupied void areas.

The vital part which CAMG intelligence plays in keeping the responsible combat commander informed of the political, economic, and population effects on courses of action open to him has been recognized, and it is incorporated in Field Manual 101–5, Staff Officers' Field Manual, Staff Organization and Procedure, as the CAMG estimate of the situation. The purpose is to develop a systematic procedure which will furnish the combat commander with the type of intelligence he needs regarding the people in his area. He will thereby be able to take action to preclude the economic, political, and governmental reactions of the population from erupting into threats to the security of his forces or the accomplishment of his mission.

The accent on dispersal presents critical problems in the surveillance, intelligence, and security of lightly held or unoccupied areas. For some time it has been recognized that the main factor for effectively gaining control over guerrilla forces is the restoration of public order and safety coupled with a basic economic stability.

For lightly held areas the task is primarily one of generating confidence among the population in the local government's ability and willingness to function. This is done by furnishing government services such as communications, employment, relief, and protection.

Unoccupied void areas present a more difficult problem. This problem can be overcome also by extension of local governmental influence into these areas with particular attention to extending local public safety personnel and agencies under CAMG supervision into the unoccupied void areas to act as a guerrilla and subversive force deterrent.

MEETING CAMG REQUIREMENTS

Consistent with the thoughts thus far presented, following are some specific proposals for meeting the CAMG requirements of the atomic age:

1. G5 staff sections and CAMG units must be included in the combat commander's force. This has several corollaries.

(a) Military personnel throughout the services must be indoctrinated in CAMG capabilities in order to provide the balanced force needed to carry out the commander's mission. In this connection all branch service schools must give greater emphasis to CAMG orientation.

(b) The operational nature of CAMG activities must be reflected throughout military doctrine so that the G3–G5 relationship will be understood fully by commanders and planners.

(c) CAMG plans, units, and staff sections must be included in all maneuvers and command post exercises in order that organizational and doctrinal developments may provide the combat commander of the future with a tested capability to handle his CAMG responsibilities.

(d) There must be an appreciation of the need of the field commander for clearly defined national objectives and policies.

2. G5 representation should be established in all military assistance advisory groups in order to develop a capability within the armies of our allies to conduct CAMG operations. Close liaison must be maintained with governmental agencies such as the Foreign Service, the International Cooperation Administration, and the United States Intelligence Agency in order to make maximum use of techniques developed and to smooth out transition of authority problems when occupied areas pass from military to civil control.

3. Development of a viable doctrine to counteract Communist propaganda must be encouraged. Maximum use must be made of the free intellectual and religious traditions of the United States in combating communism and gaining our postwar objectives.

4. The technological proficiency of CAMG personnel must be increased by:

(a) Maintaining a continuing research program in order to develop new techniques, procedures, testing criteria, and detection of new research areas.

(b) Placing emphasis during CAMG training on such subjects as the role of CAMG in combat operations; development of plans, orders, and annexes; problem-solving methods and techniques; cultural and environmental factors affecting the relationship between our military and local governments and peoples, and procedures for allocating manpower and resources.

5. Because of the wide areas of great depth which are contemplated for atomic age warfare, the problem of preparing CAMG personnel in area characteristics and language will be magnified greatly. Consequently, area documentation must be kept current and extremely concise. The designation of areas of deployment must be made early in order that language training requirements may be met. In addition, increased emphasis must be placed upon CAMG intelligence training, including the estimate of the situation, and intelligence collection planning.

6. Operational planning must give greater emphasis to refugee control in order to prevent interference with ground mobility. The local public-safety organization, under CAMG supervision, should be extended throughout the unoccupied void areas as far as practicable to act as a guerrilla and subversive force deterrent.

CONCLUSION

The critical point of atomic warfare will hinge on the combat commander's ability to exploit the advantage gained from the use of the weapon. With the chaotic conditions envisioned, his ability to handle the multitudinous problems—technical, ideological, logistical—posed by the population among whom he is operating may mean the difference between success or failure.